

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS**

**IN RE: STEEL ANTITRUST
LITIGATION**

Case No. 08-cv-5214

**THIS DOCUMENT RELATES TO
ALL DIRECT PURCHASER ACTIONS:**

Honorable James B. Zagel

Standard Iron Works v. ArcelorMittal, et al.,
Case No. 08-cv-5214

Wilmington Steel Processing Co., Inc. v.
ArcelorMittal, et al., Case No. 08-cv-5371

Capow, Inc. d/b/a Eastern States Steel v.
ArcelorMittal, et al., Case No. 08-cv-5633

Alco Industries, Inc. v. ArcelorMittal, et al.,
Case No. 08-cv-6197

Gulf Stream Builders Supply, Inc. v.
ArcelorMital, et al., Case No. 10-cv-4236

**PLAINTIFFS' MOTION FOR PRELIMINARY APPROVAL
OF SETTLEMENTS WITH COMMERCIAL METALS CORPORATION,
AK STEEL HOLDING CORPORATION AND GERDAU AMERISTEEL
CORPORATION, CONDITIONAL CERTIFICATION OF A SETTLEMENT
CLASS, AND APPROVAL OF NOTICES AND NOTICE PLAN**

Pursuant to Federal Rules of Civil Procedure 23(a), 23(b)(3) and 23(e), Plaintiffs respectfully move this Court to:

1. Grant preliminary approval to the proposed settlements with Commercial Metals Corporation, AK Steel Holding Corporation and Gerdau Ameristeel Corporation;
2. Conditionally certify for settlement purposes the proposed Settlement Class;
3. Conditionally appoint Named Plaintiffs as Class Representatives, and appoint Fine,

Kaplan and Black, RPC, and Kellogg, Huber, Hansen, Todd, Evans & Figel, P.L.L.C. as Co-Lead Class Counsel;

4. Approve the form and manner of giving notice of the proposed settlements to the Class; and

5. Set a date for a hearing on final approval of the settlements.

Plaintiffs have submitted a [Proposed] Preliminary Approval Order which is consistent with the relief requested herein.

Dated: April 3, 2014

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that on this 3rd day of April, 2014, I caused a true and correct copy of the foregoing **Plaintiffs' Motion for Preliminary Approval of Settlements with Commercial Metals Corporation, AK Steel Holding Corporation and Gerdau Ameristeel Corporation, Conditional Certification of a Settlement Class, and Approval of Notices and the Notice Plan** to be filed and served electronically via the Court's CM/ECF system upon all registered users.

/s/ Jeffrey S. Istvan
Jeffrey S. Istvan

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**MEMORANDUM OF LAW IN SUPPORT OF PLAINTIFFS' UNOPPOSED MOTION
FOR PRELIMINARY APPROVAL OF SETTLEMENTS WITH
COMMERCIAL METALS CORPORATION, AK STEEL HOLDING CORPORATION
AND GERDAU AMERISTEEL CORPORATION,
CONDITIONAL CERTIFICATION OF A SETTLEMENT CLASS, AND
APPROVAL OF NOTICE, SUMMARY NOTICE AND NOTICE PLAN**

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TABLE OF CONTENTS

	PAGE(S)
INTRODUCTION	1
PROCEDURAL HISTORY	1
THE SETTLEMENTS	2
ARGUMENT	4
I. THE STANDARDS USED TO EVALUATE CLASS SETTLEMENTS FAVOR APPROVAL	4
II. THE SETTLEMENTS ARE FAIR AND REASONABLE	5
III. THE SETTLEMENT FUND	10
IV. THE SETTLEMENT CLASS SHOULD BE CONDITIONALLY CERTIFIED	11
V. THE NOTICE AND NOTICE PLAN SHOULD BE APPROVED	17
VI. THE REQUESTED PROCEDURES AND TIMELINE	20
CONCLUSION	20

TABLE OF AUTHORITIES

CASES	PAGE(S)
<i>Amchem Prods., Inc. v. Windsor</i> , 521 U.S. 591 (1997).....	12, 15, 16
<i>Am. Int'l Grp., Inc. v. ACE INA Holdings, Inc.</i> , No. 07-2898, 2011 WL 3290302 (N.D. Ill. July 26, 2011)	9
<i>Armstrong v. Board of School Directors</i> , 616 F.2d 305 (7th Cir. 1980), overruled on other grounds by <i>Felzen v. Andreas</i> , 134 F.3d 873 (7th Cir. 1998).....	5, 8, 9
<i>Barragan v. Evanger's Dog & Cat Food Co.</i> , 259 F.R.D. 330 (N.D. Ill. 2009).....	13
<i>Bell Atl. Corp. v. Bolger</i> , 2 F.3d 1304 (3d Cir. 1993).....	8
<i>City of Greenville v. Syngenta Crop Prot.</i> , No. 3:10-cv-188, 2012 WL 1948153 (S.D. Ill. May 30, 2012)	17
<i>E.E.O.C. v. Hiram Walker & Sons, Inc.</i> , 768 F.2d 884 (7th Cir. 1985)	6
<i>Eisen v. Carlisle & Jacquelin</i> , 417 U.S. 156 (1974).....	19
<i>Fisher Bros. v. Cambridge-Lee Indus., Inc.</i> , 630 F. Supp. 482 (E.D. Pa. 1985).....	9
<i>Goldsmith v. Tech. Solutions Co.</i> , No. 92-4374, 1995 WL 17009594 (N.D. Ill. Oct. 10, 1995)	4
<i>Hanlon v. Chrysler Corp.</i> , 150 F.3d 1011 (9th Cir. 1998)	15, 29
<i>Hispanics United of DuPage County v. Village of Addison</i> , 988 F. Supp. 1130 (N.D. Ill. 1997)	4, 5, 9
<i>In re Aftermarket Filters Antitrust Litig.</i> , No. 08-CV-4883 (N.D. Ill 2012)	10, 18
<i>In re AT&T Mobility Wireless Data Servs. Sales Litig.</i> , 270 F.R.D. 330 (N.D. Ill. 2010).....	16

<i>In re Blood Reagents Antitrust Litig.</i> , 283 F.R.D. 222 (E.D. Pa. 2012).....	16
<i>In re Brand Name Prescription Drugs Antitrust Litig.</i> , No. 94C897, 1994 WL 663590 (N.D. Ill. Nov. 18, 1994).....	15
<i>In re Flat Glass Antitrust Litig.</i> , 191 F.R.D. 472 (W.D. Pa. 1999)	16
<i>In re High Fructose Corn Syrup Antitrust Litig.</i> , 295 F.3d 651 (7th Cir. 2002)	16
<i>In re Lawnmower Engine Horsepower Mktg. & Sales Practices Litig.</i> , 733 F. Supp. 2d 997 (E.D. Wis. 2010).....	8
<i>In re Lease Oil Antitrust Litig.</i> , 186 F.R.D. 403 (S.D. Tex. 1999).....	19
<i>In re Linerboard Antitrust Litig.</i> , 292 F. Supp. 2d 631 (E.D. Pa. 2003)	7
<i>In re Linerboard Antitrust Litig.</i> , 305 F.3d 145 (3d Cir. 2002).....	16
<i>In re NASDAQ Market-Makers Antitrust Litig.</i> , 169 F.R.D. 493 (S.D.N.Y. 1996)	13
<i>In re Packaged Ice Antitrust Litig.</i> , No. 08-MD-01952, 2011 WL 717519 (E.D. Mich. Feb. 22, 2011).....	17
<i>In re Processed Egg Products Antitrust Litig.</i> , 284 F.R.D. 278 (E.D. Pa. 2012).....	8
<i>In re Pressure Sensitive Labelstock Antitrust Litig.</i> , 584 F. Supp. 2d 697 (M.D. Pa. 2008)	8
<i>In re Scrap Metal Antitrust Litig.</i> , 527 F.3d 517 (6th Cir. 2008)	15
<i>In re Sulfuric Acid Antitrust Litig.</i> , No. 03-C-4576 (N.D. Ill. June 13, 2007).....	18
<i>Isby v. Bayh</i> , 75 F.3d 1191 (7th Cir. 1996)	4

<i>Kohen v. Pac. Inv. Mgmt. Co. LLC</i> , 244 F.R.D. 469 (N.D. Ill. 2007), <i>aff'd</i> , 571 F.3d 672 (7th Cir. 2009)	12
<i>Ledford v. City of Highland Park</i> , No. 00-4212, 2000 WL 1053967 (N.D. Ill. July 31, 2000)	5
<i>Messner v. Northshore Univ. HealthSystem</i> , 669 F.3d 802 (7th Cir. 2011)	15, 16
<i>Nat’l Rural Telecomms. Coop. v. DIRECTV, Inc.</i> , 221 F.R.D. 523 (C.D. Cal. 2004)	9
<i>Newby v. Enron Corp.</i> , 394 F.3d 296 (5th Cir. 2004)	10
<i>Owner-Operator Indep. Drivers Ass’n v. Allied Van Lines, Inc.</i> , 231 F.R.D. 280 (N.D. Ill. 2005).....	13
<i>Paper Sys. Inc. v. Nippon Paper Indus. Co. Ltd.</i> , 281 F.3d 629 (7th Cir. 2002)	7
<i>Reed v. General Motors Corp.</i> , 703 F.2d 170 (5th Cir. 1983)	9
<i>Reynolds v. Beneficial Nat’l Bank</i> , 288 F.3d 277 (7th Cir. 2002)	7
<i>Rosario v. Livaditis</i> , 963 F.2d 1013 (7th Cir. 1992)	13
<i>Saltzman v. Pella Corp.</i> , 257 F.R.D. 471 (N.D. Ill. 2009).....	13, 14
<i>Schmidt v. Smith & Wollensky LLC</i> , 268 F.R.D. 323 (N.D. Ill. 2010).....	12
<i>Scholes v. Stone, McGuire & Benjamin</i> , 839 F. Supp. 1314 (N.D. Ill. 1993)	5
<i>Schulte v. Fifth Third Bank</i> , 805 F. Supp. 2d 560 (N.D. Ill. 2011)	8
<i>Sullivan v. DB Investments, Inc.</i> , 667 F.3d 273 (3d Cir. 2011).....	16

<i>Synfuel Techs., Inc. v. DHL Express (USA), Inc.</i> , 463 F.3d 646 (7th Cir. 2006)	7
<i>Thillens, Inc. v. Cmty Currency Exch. Ass’n</i> , 97 F.R.D. 668 (N.D. Ill. 1983).....	13
<i>Wallace v. Chicago Hous. Auth.</i> , 224 F.R.D. 420 (N.D. Ill. 2004).....	14

RULES

Federal Rule of Civil Procedure 23	<i>passim</i>
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OTHER AUTHORITIES

3B Moore’s Federal Practice ¶ 23.80[4] (2d ed. 1978)	5
3 William B. Rubenstein, Alba Conte & Herbert Newberg, NEWBERG ON CLASS ACTIONS, § 8.2 (5th ed. 2013).....	17
3 William B. Rubenstein, Alba Conte & Herbert Newberg, NEWBERG ON CLASS ACTIONS, § 8.32 (5th ed. 2013).....	17
4 Alba Conte & Herbert Newberg, NEWBERG ON CLASS ACTIONS §11.25 (4th ed. 2002).....	4
7AA C. Wright, A. Miller & M. Kane, Federal Practice & Procedure § 1781 (3d ed. 2005)	15

INTRODUCTION

Plaintiffs have reached Settlements with three of the eight defendants in this litigation, Commercial Metals Corporation (“CMC”), AK Steel Holding Corporation (“AK Steel”), and Gerdau Ameristeel Corporation (“Gerdau”) (collectively, “Settling Defendants”), for \$3,999,999, \$5,800,000 and \$6,100,000, respectively. As described below, these Settlements are fair, reasonable and adequate, and they satisfy the standard for preliminary approval.

Plaintiffs respectfully submit this Memorandum of Law in support of their unopposed motion for entry of an order: (i) granting preliminary approval to the proposed Settlements entered into by Plaintiffs, on their own behalf and on behalf of the proposed Settlement Class, and Settling Defendants; (ii) conditionally certifying for settlement purposes the proposed Settlement Class and Plaintiffs as Class Representatives, and appointing Fine, Kaplan and Black, R.P.C. (“FKB”) and Kellogg, Huber, Hansen, Todd, Evans and Figel, P.L.L.C., (“KHHTEF”) as Co-Lead Class Counsel; (iii) approving the form and manner of giving notice of the proposed Settlements to the Class; and (iv) setting a date for a hearing on final approval of the Settlements (the “Fairness Hearing”), and deadlines for opting out, objecting to and commenting on the Settlements.

PROCEDURAL HISTORY

On September 12, 2008, Plaintiff Standard Iron Works filed a Class Action Complaint captioned *Standard Iron Works v. ArcelorMittal, et al.*, Case No. 08-C-5214, Dkt. No. 1. That case was then consolidated with several related cases.¹ Plaintiffs allege that Defendants

¹ Putative class representatives filed seven direct purchaser class actions in this Court, which have been consolidated in this action: *Standard Iron Works v. ArcelorMittal, et al.*, No. 08

unlawfully conspired to restrict the output of steel products in the United States, in violation of the Sherman Act, and that as a result, Plaintiffs and the members of the proposed Class paid more for Steel Products than they otherwise would have.

The Court denied Defendants' motions to dismiss on June 12, 2009. Dkt. No. 170. The parties then proceeded to discovery. Complex antitrust matters such as this often involve protracted discovery, and this case has been no exception. The Court bifurcated discovery both by subject matter and by defendant. The class certification stage of discovery (which included some discovery into the merits) took more than two years to complete, with the parties producing millions of pages of documents, as well as computerized data for more than 30 million transactions involving steel products, filing 12 expert reports or witness declarations, and taking 12 depositions.

On May 24, 2012, Plaintiffs filed their pending motion for Class Certification, Dkt. No. 305, and briefing on that motion was completed in October 2013. A third and final day of hearings on the motion for class certification is scheduled for April 11, 2014.

THE SETTLEMENTS

The proposed Settlements with CMC, AK Steel and Gerdau were the product of extensive good-faith, arm's-length negotiations. Over a period of months, Class Counsel engaged in discussions with counsel for each of the Settling Defendants. Those discussions culminated in the compromises embodied in the attached Settlement Agreements, Exhs. 1- 3

C 5214; *Wilmington Steel Processing Co., Inc. v. ArcelorMittal, et al.*, No. 08 C 5371; *Capow, Inc. v. ArcelorMittal, et al.*, No. 08 C 5633; *MPM Display, Inc. v. ArcelorMittal, et al.*, No. 08 C 5700; *REM Sys., Inc. v. ArcelorMittal, et al.*, No. 08 C 5942; *Alco Indus. Inc. v. ArcelorMittal, et al.*, No. 08 C 06197; and *Gulf Stream Builders Supply, Inc. v. ArcelorMittal, et al.*, No. 10-cv-4236. The *MPM Display* and *REM Systems* cases were voluntarily dismissed.

hereto. The Agreements provide that Settling Defendants will pay the Settlement Class \$15.9 million in cash (the “Settlement Amounts”). CMC Settlement Agreement ¶ 8 (“CMC Settlement”) (\$3,999,999); AK Steel Settlement Agreement ¶ 8 (“AK Steel Settlement”) (\$5,800,000); Gerdau Settlement Agreement ¶ 8 (“Gerdau Settlement”) (\$6,100,000). Settling Defendants will deposit most of this sum into escrow accounts within 10 business days after preliminary approval of the Settlements.² Once deposited, the Settlement Amounts will be invested in United States Treasury Bills, United States Treasury Notes, or other instruments insured or guaranteed by the full faith and credit of the United States, and any interest earned thereon (together with the Settlement Amounts) will become part of the Settlement Fund. *Id.* In addition, the Settlements require the Settling Defendants to provide certain forms of cooperation to assist Class Counsel in the continued prosecution of this case against the remaining Defendants. Among the forms of cooperation are the production of documents relating to the merits of the case, authentication of documents to be used at trial, and providing certain witnesses for interviews.

The Settlements bind Settling Defendants, Plaintiffs and all members of the Settlement Class (except for any who timely and properly submit notices of exclusion), which is defined as all persons who Purchased Steel Products directly from any of the defendants in *Standard Iron Works v. ArcelorMittal, et al.*, Case No. 08-C-5214, or their subsidiaries or controlled affiliates, at any time between April 1, 2005 and December 31, 2007 (“the Settlement Class Period”) for delivery in the United States. CMC Settlement ¶ 1, AK Steel Settlement ¶ 1, Gerdau Settlement

² CMC and Gerdau will deposit the full amounts of their respective settlements after preliminary approval; AK Steel will deposit \$2.03 million after preliminary approval, and \$3.77 million after final approval.

¶ 1. The terms “Steel Products” and “Purchased” are defined more specifically in Section IV below. Excluded from the Settlement Class are Defendants, their present and former parents, subsidiaries, affiliates, joint ventures, co-conspirators and government entities. *Id.*

The Agreements release Settling Defendants (and their past and present, direct and indirect parents, subsidiaries, affiliates, predecessors and successors) from all claims by Plaintiffs and the Settlement Class relating to conduct alleged in this matter. CMC Settlement ¶ 12, AK Steel Settlement ¶ 12, Gerdau Settlement ¶ 12. Settling Defendants’ sales of Steel Products to members of the Settlement Class, however, remain in the case for purposes of litigation against the remaining defendants.

ARGUMENT

I. THE STANDARDS USED TO EVALUATE CLASS SETTLEMENTS FAVOR PRELIMINARY APPROVAL.

Settling and quieting litigation promotes the public interest, particularly in the context of class actions. *See Isby v. Bayh*, 75 F.3d 1191, 1196 (7th Cir. 1996) (“Federal courts naturally favor the settlement of class action litigation.”). Indeed:

[F]ederal courts look with great favor upon the voluntary resolution of litigation through settlement. In the class action context in particular, there is an overriding public interest in favor of settlement.

Goldsmith v. Tech. Solutions Co., No. 92-4374, 1995 WL 17009594, *1 (N.D. Ill. Oct. 10, 1995) (citations and quotation marks omitted); *see also Hispanics United of DuPage County v. Village of Addison*, 988 F. Supp. 1130, 1149 (N.D. Ill. 1997) (“Compromise is particularly appropriate in complex class actions.”).

Federal Rule of Civil Procedure 23(e) governs court approval of class action settlements. *See* 4 Alba Conte & Herbert Newberg, *NEWBERG ON CLASS ACTIONS* §11.25 at 38 (4th ed.

2002). At the preliminary approval phase in the class action settlement process, the Court's function is simply "to ascertain whether there is any reason to notify the class members of the proposed settlement and to proceed with a fairness hearing." *Armstrong v. Board of School Directors*, 616 F.2d 305, 314 (7th Cir. 1980), *overruled on other grounds by Felzen v. Andreas*, 134 F.3d 873 (7th Cir. 1998). The question before the Court is therefore limited to "whether the proposed settlement is within the range of possible approval." *Id.* (internal quotation marks omitted); *see also Ledford v. City of Highland Park*, No. 00-4212, 2000 WL 1053967, at *2 (N.D. Ill. July 31, 2000). As described below, a preliminary examination of the criteria for final approval supports the conclusion that the Settlements here meet the standard for preliminary approval.

II. THE SETTLEMENTS ARE FAIR AND REASONABLE.

At the fairness hearing, the Court will have the discretion under Rule 23(e) to finally approve the Settlements if the Court finds them to be fair, adequate, and reasonable to the Class. The Seventh Circuit has set forth eight factors for courts to consider in evaluating the fairness of a class action settlement: (1) the strength of the case for plaintiffs on the merits, balanced against the amount offered in settlement; (2) the defendant's ability to pay; (3) the complexity, length and expense of further litigation; (4) the amount of opposition to the settlement; (5) the presence of collusion in reaching a settlement; (6) the reaction of members of the class to the settlement; (7) the opinion of competent counsel; and (8) the stage of the proceedings and the amount of discovery completed. *See Armstrong*, 616 F.2d at 314 (quoting 3B Moore's Federal Practice ¶ 23.80[4] at 23-521 (2d ed. 1978)); *see also Hispanics United*, 988 F. Supp. at 1149-50; *Scholes v. Stone, McGuire & Benjamin*, 839 F. Supp. 1314 (N.D. Ill. 1993). These factors are not to be

applied rigidly, nor treated as requirements, nor are they exclusive, but rather they should be treated as guideposts to assist the Court in determining whether to approve the Settlements. As noted above, at this preliminary-approval stage, the Court's task merely is to determine if the Settlements are within the range of possible approval such that the Settlement Class should be notified about them.

In making this determination, and ultimately the final determination of whether the proposed Settlements are fair, reasonable, and adequate, the Court necessarily will evaluate the judgment of the attorneys for the parties regarding "the strength of plaintiffs' case compared to the terms of the proposed settlement." *In re AT&T Mobility Wireless Data Servs. Sales Litig.*, 270 F.R.D. 330, 346 (N.D. Ill. 2010). This evaluation of the costs and benefits of settlement must be tempered, however, by the recognition that any compromise involves concessions on the part of all of the settling parties. Indeed, "[t]he essence of settlement is compromise." *E.E.O.C. v. Hiram Walker & Sons, Inc.*, 768 F.2d 884, 889 (7th Cir. 1985).

Here, Settling Defendants have made clear that, in the absence of the Settlements, they would vigorously contest all aspects of the case, including class certification, liability and damages. Though Plaintiffs believe their case to be strong, complex litigation such as this is inherently risky and costly, and there is always some chance that Plaintiffs may not be successful. *See In re AT&T*, 270 F.R.D. at 347. Plaintiffs still face the hurdle of class certification (and related *Daubert* motions), including the possibility of appeal under Rule 23(f). After class certification, plaintiffs face the additional hurdles of litigation on the merits, including summary judgment, trial, and likely appeals of a successful verdict and judgment. And even if Plaintiffs were to win at every subsequent stage, continued litigation necessarily would delay recovery to the Class by several years. Settlement eliminates the risk of litigation vis-à-vis

Settling Defendants, providing substantial and certain relief to the Settlement Class now. *Id.* (“[A] future victory is not as valuable as a present victory.”).

An initial examination of the terms of the Settlements demonstrates that they are fair, reasonable, and adequate. First, these Settlements are the first three in this case alleging a conspiracy among eight defendants. As the first settlements, they are “ice-breaker” settlements that should “increase the likelihood of future settlements.” *In re Linerboard Antitrust Litig.*, 292 F. Supp. 2d 631, 643 (E.D. Pa. 2003). This increase in likelihood of future settlements provides a tangible benefit to the class.

Second, \$15.9 million is a substantial recovery for the approximately 5,500 class members, particularly in light of the fact that the Settling Defendants’ sales comprise only about 19% of class sales, and that all of their sales will remain in the case. That is, class members will retain the right to recover full damages from the non-settling defendants – including damages on class period sales made by CMC, AK Steel and Gerdau – under principles of joint and several liability. *See Paper Sys. Inc. v. Nippon Paper Indus. Co. Ltd.*, 281 F.3d 629, 632 (7th Cir. 2002) (“each member of a conspiracy is liable for all damages caused by the conspiracy’s entire output”). In this context, the settlements provide a meaningful cash benefit without diminishing the “net expected value of continued litigation” against the remaining defendants. *See Synfuel Techs., Inc. v. DHL Express (USA), Inc.*, 463 F.3d 646, 653 (7th Cir. 2006) (citing *Reynolds v. Beneficial Nat’l Bank*, 288 F.3d 277, 284-85 (7th Cir. 2002)).³

³ Under *Synfuel* and *Reynolds*, the Court must evaluate the proposed settlement by “quantifying the net expected value of continued litigation to the class.” *Synfuel*, 463 F.3d at 653. In a typical case in which the proposed settlement ends the litigation, this analysis turns on the estimated class recovery discounted by the risks of continued litigation. *Id.* (noting that a “ballpark valuation” is usually the best one can do). But the analysis here is different, because

Third, the Settlements will provide an important financial boost to the litigation fund that Class Counsel will use to prosecute the case against the remaining defendants, again conferring benefits on all class members. *See In re Pressure Sensitive Labelstock Antitrust Litig.*, 584 F. Supp. 2d 697, 702 (M.D. Pa. 2008).

Fourth, because Class Counsel do not at this time intend to seek attorneys' fees from these Settlements, they raise no issues of fairness to class members. *See In re Processed Egg Products Antitrust Litig.*, 284 F.R.D. 278, 304 (E.D. Pa. 2012); *In re Lawnmower Engine Horsepower Mktg. & Sales Practices Litig.*, 733 F. Supp. 2d 997, 1009 (E.D. Wis. 2010).⁴

Finally, another benefit to the class from the Settlements is that they require Settling Defendants to cooperate with Plaintiffs by producing certain documents; helping to establish the admissibility of their documents at trial; responding to certain future discovery requests; and assisting Plaintiffs to find and interview current and former employees regarding the allegations at issue. This cooperation from Settling Defendants reduces the risks associated with obtaining important, admissible conspiracy evidence for trial against the remaining defendants. "Despite the difficulties they pose to measurement, nonpecuniary benefits ... may support a settlement." *Bell Atl. Corp. v. Bolger*, 2 F.3d 1304, 1311 (3d Cir. 1993).

the case will continue against the largest and most allegedly culpable Defendants, which remain jointly and severally liable for the entire class damage estimate (*i.e.*, approximately \$5.7 billion, as estimated in Plaintiffs' class certification submissions). In this context, the settlements do not materially diminish the net expected value of the case, while affording the class the certain benefits of (i) icebreaker settlements, (ii) substantial cash recovery from three relatively small defendants, and (iii) the additional benefits described in more detail below. *See generally Schulte v. Fifth Third Bank*, 805 F. Supp. 2d 560, 583-86 (N.D. Ill. 2011).

⁴ Class Counsel may, at a later date, seek attorneys' fees from these Settlements. If and when they do, the Settlement Class will receive notice and an opportunity to be heard on the reasonableness of the fee request and, of course, the Court ultimately will determine the reasonableness of any fees requested.

“[T]he stage of the proceedings” is another factor that courts consider in determining the fairness of a settlement. *Armstrong*, 616 F.2d at 314. Plaintiffs and Settling Defendants chose to settle only after the parties had completed extensive discovery. At this stage in the proceedings, there can be no question that Class Counsel have a clear view of the strengths and weaknesses of the Class’s claims on which to base an evaluation of the Settlements. Moreover, the Settlements were the result of months of arm’s-length negotiations among experienced counsel, creating a presumption that the Settlement terms are fair, adequate, and reasonable. *See Nat’l Rural Telecomms. Coop. v. DIRECTV, Inc.*, 221 F.R.D. 523, 528 (C.D. Cal. 2004) (“A settlement following sufficient discovery and genuine arm’s-length negotiation is presumed fair.”).

Courts also give considerable weight to the opinion of experienced counsel supporting a settlement. *See, e.g., Armstrong*, 616 F.2d at 325 (ruling that in determining the fairness of a class settlement, “the court is entitled to rely heavily on the opinion of competent counsel”).⁵ After litigating this case for more than five years, Class Counsel have developed deep familiarity with the factual and legal issues in this action and the risks associated with continued litigation. Based on this experience, Class Counsel believe that these Settlements are fair, reasonable, and adequate in light of the circumstances.

In sum, the proposed Settlements are the product of serious, informed, non-collusive negotiations, after the completion of substantial discovery, and at a stage in the case where there remains substantial risk and a great deal more to be done. Preliminary evaluation of factors considered by courts in this Circuit in granting final approval of class action settlements

⁵ *See also Hispanics United*, 988 F. Supp. at 1170; *Reed v. General Motors Corp.*, 703 F.2d 170, 175 (5th Cir. 1983); *Am. Int’l Grp., Inc. v. ACE INA Holdings, Inc.*, No. 07-2898, 2011 WL 3290302 (N.D. Ill. July 26, 2011); *Fisher Bros. v. Cambridge-Lee Indus., Inc.*, 630 F. Supp. 482, 489 (E.D. Pa. 1985).

demonstrates that these Settlements are well “within the range of possible approval.” *Armstrong*, 616 F.2d at 310. For this and all of the foregoing reasons, the Settlements warrant the Court’s preliminary approval.

III. THE SETTLEMENT FUND

Under the terms of the Settlements, monies from the Settlement Fund are to be used, first, to pay for reasonable expenses associated with the costs of giving notice and administering the Settlement Fund.⁶ Next, Class Counsel intend to petition the Court for reimbursement out of the Settlement Fund for expenses previously incurred by Class Counsel in litigating this case on behalf of the Class in an amount not to exceed \$5,500,000. At a later stage of the litigation (pursuant to additional notice to the Class and perhaps in conjunction with additional settlements from other Defendants), Class Counsel anticipate submitting to the Court a proposed plan of allocation for the rest of the Settlement Fund (i) to class members, (ii) for reimbursement of additional expenses incurred in advancing this litigation, and (iii) for an award of attorneys’ fees not to exceed one third of the Settlement Fund. This proposed course of action is consistent with other cases in this District and elsewhere. *See, e.g., In re Aftermarket Filters Antitrust Litig.*, No. 08-CV-4883, Dkt. Nos. 881, 939, 1036 (N.D. Ill 2012) (Orders granting preliminary approval of various settlements); *Newby v. Enron Corp.*, 394 F.3d 296, 304 (5th Cir. 2004) (approving \$40 million settlement where \$15 million was allocated to fund ongoing litigation and distribution of remaining \$25 million was deferred “because the administrative costs of the disbursement militate in favor of deferral until the classes settle with other defendants”).

⁶ At present, the proposed Class Administrator estimates that the cost of notice and administration, through final approval, will be approximately \$100,000 - \$125,000.

IV. THE SETTLEMENT CLASS SHOULD BE CONDITIONALLY CERTIFIED.

Plaintiffs request that the Court certify, for settlement purposes only, under Federal Rule of Civil Procedure 23(a) and 23(b)(3), a Settlement Class defined as:

All persons (excluding Defendants, their present and former parents, subsidiaries, affiliates, joint ventures, co-conspirators and government entities) who Purchased Steel Products directly from any of the defendants in *Standard Iron Works v. ArcelorMittal, et al.*, Case No. 08-C-5214, or their subsidiaries or controlled affiliates, at any time between April 1, 2005 and December 31, 2007 (“the Settlement Class Period”) for delivery in the United States.

For purposes of the class definition, the terms “Steel Products” and “Purchased” are more specifically defined as follows:

“Steel Products” are defined as products derived from raw carbon steel and sold directly by any of the Defendants or their subsidiaries or controlled affiliates in the United States, including all carbon steel slabs, plates, sheet and coil products, galvanized and other coated sheet products; billets, blooms, rebar, merchant bar, beams and other structural shapes; and all other steel products derived from raw carbon steel and sold by Defendants except as specifically excluded below.

“Steel Products” specifically exclude the following product categories: stainless steel; grain-oriented electrical steel; tin mill products; clad plate (i.e., nickel, stainless or copper clad plate); steel pipe and other tubular products; “special bar quality” products; wire rod and other wire products; grinding balls; fabricated rebar products; fabricated steel joist, decking, fence posts and other fabricated building products; welded steel blanks; and steel products purchased under toll processing agreements.

The term “Purchased” includes all transactions for which pricing was negotiated during the class period and delivery was received during the class period. The class definition also includes transactions for which a sales contract was negotiated before the class period but (i) delivery was received during the class period and (ii) the actual transaction price under the contract was adjusted (or indexed) based on market pricing that prevailed during the class period.

Plaintiffs also move the Court to appoint, for settlement purposes only, Standard Iron Works, Wilmington Steel Processing Co., Inc., Capow, Inc. d/b/a Eastern States Steel, Alco Industries, Inc., and Gulf Stream Builders Supply, Inc. as Settlement Class Representatives, and to appoint Kellogg, Huber, Hansen, Todd, Evans & Figel, PLLC and Fine, Kaplan and Black, R.P.C. as Co-Lead Class Counsel.

When presented with a request to approve a proposed class settlement, a court must also determine whether the proposed settlement class satisfies the requirements for class certification under Rule 23. In assessing those class-certification requirements, a court may properly consider that there will be no trial. *See Amchem Prods., Inc. v. Windsor*, 521 U.S. 591, 620 (1997) (“Confronted with a request for settlement-only class certification, a district court need not inquire whether the case, if tried, would present intractable management problems . . . for the proposal is that there be no trial.”). As demonstrated below, a preliminary inquiry shows that the proposed Settlement Class satisfies Rule 23’s requirements for certification of a settlement class.

Rule 23(a)(1). The first requirement under Rule 23(a) is that the class is so numerous that joinder is “impracticable.” Fed. R. Civ. P. 23(a)(1). Numerosity is satisfied where more than 40 putative class members exist. *See, e.g., Kohen v. Pac. Inv. Mgmt. Co. LLC*, 244 F.R.D. 469, 476 (N.D. Ill. 2007), *aff’d*, 571 F.3d 672 (7th Cir. 2009); *Schmidt v. Smith & Wollensky LLC*, 268 F.R.D. 323, 326 (N.D. Ill. 2010) (“a class of more than 40 members is generally believed to be sufficiently numerous”) (citation omitted). Defendants’ electronic transactional data demonstrate that thousands of separate entities purchased Steel Products during the Settlement Class Period. Therefore, Rule 23’s numerosity requirement is met.

Rule 23(a)(2). Rule 23(a)’s second requirement is the existence of “questions of law or fact common to the class.” Fed. R. Civ. P. 23(a)(2). “Commonality requires that there be at least

one question of law or fact common to the class.” *Barragan v. Evanger’s Dog & Cat Food Co., Inc.*, 259 F.R.D. 330, 334 (N.D. Ill. 2009) (citing *Rosario v. Livaditis*, 963 F.2d 1013, 1018 (7th Cir. 1992)). Here, common issues include, *e.g.*, whether Defendants engaged in a conspiracy to manipulate the supply of Steel Products sold in the United States; whether the conspiracy violated Section 1 of the Sherman Act; and whether the conspiracy caused injury to Plaintiffs and other members of the Settlement Class. Given that Plaintiffs need only show one common question of law or fact to establish commonality under the rule, *see Barragan*, 259 F.R.D. at 334, Plaintiffs easily meet the commonality requirement. *See, e.g., Thillens, Inc. v. Cmty Currency Exch. Ass’n of Illinois*, 97 F.R.D. 668, 677 (N.D. Ill. 1983) (“[t]he overriding common issue of law is to determine the existence of a conspiracy”); *In re NASDAQ Market-Makers Antitrust Litig.*, 169 F.R.D. 493, 509 (S.D.N.Y. 1996) (same).

Rule 23(a)(3). The claims of the class representatives must be “typical” of the claims of the class. Fed. R. Civ. P. 23(a)(3). Typicality “is closely related to commonality and should be liberally construed.” *Saltzman v. Pella Corp.*, 257 F.R.D. 471, 479 (N.D. Ill. 2009). So long as “the representative party’s claim arises from the same course of conduct that gives rise to the claims of other class members and all of the claims are based on the same legal theory,” typicality is satisfied. *Id.* (citation omitted); *see Owner-Operator Indep. Drivers Ass’n, Inc. v. Allied Van Lines, Inc.*, 231 F.R.D. 280, 282 (N.D. Ill. 2005) (noting that typicality is a “low hurdle” requiring “neither complete coextensivity nor even substantial identity of claims.”).

Here, the proposed class representatives are the named plaintiffs in the related direct purchaser actions: Standard Iron Works, a steel fabricator; Wilmington Steel Processing Co., Inc., a former steel fabricator; Alco Industries Inc., a manufacturing firm; Capow, Inc. d/b/a Eastern States Steel, a steel distributor; and Gulf Stream Builders Supply, Inc., a former

construction industry supplier. Their claims are typical in that they, like all other members of the proposed class, bought Steel Products directly from Defendants during the alleged conspiracy period. Because all Settlement Class members' (direct purchasers') claims arise from the same events (defendants' alleged conspiracy to restrict production and therefore artificially inflate prices) and are based on the same legal theory (alleged violation of federal antitrust law), Plaintiffs' claims are "typical" of the Settlement Class's. *Saltzman*, 257 F.R.D. at 479.

Rule 23(a)(4). Finally, Rule 23(a) requires that "the representative parties will fairly and adequately protect the interests of the class." Fed. R. Civ. P. 23(a)(4). Adequacy is a two pronged inquiry: (i) the named plaintiffs' interests must coincide with those of the class, and (ii) the named plaintiffs and proposed class counsel must demonstrate their ability to litigate the case vigorously and competently on behalf of named and absent class members alike. *See, e.g., Wallace v. Chicago Hous. Auth.*, 224 F.R.D. 420, 429-30 (N.D. Ill. 2004).

Here, there are no conflicts between the named Plaintiffs and other members of the Settlement Class. Instead, their interests are aligned because they, like all direct purchasers, have been injured by the same alleged conduct – the industry conspiracy to restrict steel output – and they, like all direct purchasers, share a strong interest in establishing Defendants' liability under the antitrust laws and maximizing class-wide damages.

Second, Plaintiffs are represented by experienced and able counsel. *See* Dkt. No. 33 (Plaintiffs' Interim Lead Counsel papers). Plaintiffs and the proposed Class Counsel have already demonstrated vigorous prosecution on behalf of the Class, through their successful litigation of the case past Defendants' motion to dismiss, their vigorous pursuit of extensive discovery, their retention of highly qualified experts, their effective negotiation of the proposed settlements, and most recently their complex and skillful presentation at the class certification

hearing. *See Hanlon v. Chrysler Corp.*, 150 F.3d 1011, 1022 (9th Cir. 1998) (finding “counsel’s prosecution of the case sufficiently vigorous to satisfy any Rule 23(a)(4) concerns”). Accordingly, the adequacy requirement is satisfied.

Rule 23(b)(3). Certification of the Settlement Class is appropriate under Rule 23(b)(3) because common questions of law and fact predominate over any individual questions that may arise and because a class action is the superior method of adjudicating the claims. *See Fed. R. Civ. P. 23(b)(3)*. Indeed the predominance requirement “is a test readily met in certain cases alleging . . . violations of the antitrust laws.” *Messner v. Northshore Univ. HealthSystem*, 669 F.3d 802, 814-15 (7th Cir. 2012) (quoting *Amchem*, 521 U.S. at 625). Thus, “in antitrust cases, Rule 23, when applied rigorously, will frequently lead to certification.” *Id.* at 815 (citation omitted).

The key issues in this case are *all* subject to proof using common evidence. In a Section 1 antitrust case, defendants’ liability turns, first and foremost, on whether plaintiffs can prove a conspiracy among defendants to restrain competition. Plaintiffs will prove this using common proof such as witness testimony, documents, email and phone records, economic evidence, and other evidence relating to Defendants’ conduct. The question of whether Defendants conspired is common to all members of the Settlement Class and will be answered using common evidence. Because this issue is so central to a Section 1 antitrust case, the existence of a conspiracy “is a common question that is thought to predominate over the other issues in the case and has the effect of satisfying the first prerequisite of Rule 23(b)(3).” *In re Scrap Metal Antitrust Litig.*, 527 F.3d 517, 535 (6th Cir. 2008) (citing 7AA C. Wright, A. Miller & M. Kane, *Federal Practice & Procedure* § 1781 at 228 (3d ed. 2005); *see also In re Brand Name*

Prescription Drugs Antitrust Litig., No. 94C897, 1994 WL 663590, at *5 (N.D. Ill. Nov. 18, 1994) (holding that proof of a conspiracy was an overriding and predominant question).

Moreover, impact (causation) and class-wide damages are common issues. Plaintiffs will establish impact and damages using several independent categories of common evidence, including: statements and documents from defendants' top management; expert testimony on market structure and common impact; pricing data; and econometric evidence showing that class members did, in fact, pay higher prices as a result of Defendants' supply restriction. *See, e.g., In re Blood Reagents Antitrust Litig.*, 283 F.R.D. 222, 238-39 (E.D. Pa. 2012) (noting defendants' documents stating that price increases affected all customers "lend support to a finding of predominance"); *In re High Fructose Corn Syrup Antitrust Litig.*, 295 F.3d 651, 656-57 (7th Cir. 2002) (discussing structural conditions that facilitate effective collusion); *In re Linerboard Antitrust Litig.*, 305 F.3d 145, 153 (3d Cir. 2002) (affirming class certification where pricing for class products "behaved similarly over time"); *In re Flat Glass Antitrust Litig.*, 191 F.R.D. 472, 485-486 (W.D. Pa. 1999) (identifying multiple regression analysis as a method of proving impact).

Thus the three key elements in the case – conspiracy, impact, and class-wide damages – are all common to the Settlement Class and all subject to proof using evidence common to the Settlement Class. Accordingly, the class action device would be far superior to any alternative procedure for resolving the factual and legal issues presented here. *See Messner*, 669 F.3d at 814 n.5. This is all the more true where, as here, the Court need not take into consideration whether a potential trial would be manageable because Plaintiffs seek certification for settlement purposes only. *See Amchem*, 521 U.S. at 620; *Sullivan v. DB Investments, Inc.*, 667 F.3d 273, 298-304 (3d Cir. 2011) (en banc) (approving antitrust class settlement).

Because the requirements of Rule 23 are satisfied, Plaintiffs respectfully ask the Court to conditionally certify the proposed Settlement Class.⁷

V. THE NOTICE AND NOTICE PLAN SHOULD BE APPROVED.

Plaintiffs also request approval of the proposed method for providing notice to the Settlement Class Members, as well as the draft Notice and Summary Notice. Rule 23 requires that notice of a settlement be “the best notice that is practicable under the circumstances, including individual notice to all members who can be identified through reasonable effort.” Fed. R. Civ. P. 23(c)(2)(B); *see also* 3 William B. Rubenstein, Alba Conte & Herbert Newberg, NEWBERG ON CLASS ACTIONS, § 8.2 at 239-42 (5th ed. 2013).

Notice of a proposed settlement must inform class members of the following: (1) the nature of the pending litigation; (2) the general terms of the proposed settlement; (3) that complete information is available from court files; and (4) that any class member may appear and be heard at the fairness hearing. *See* Newberg § 8.32; *In re Packaged Ice Antitrust Litig.*, No. 08-MD-01952, 2011 WL 717519, at *5 (E.D. Mich. Feb. 22, 2011) (quoting Newberg passage); *see also City of Greenville v. Syngenta Crop Prot., Inc.*, No. 3:10-cv-188, 2012 WL 1948153, at *4 (S.D. Ill. May 30, 2012) (stating Rule 23(e) notice contents “sufficient” with above elements) (quoting *In re AT&T Mobility*, 270 F.R.D. at 351). For a Rule 23(b)(3) predominance class, the notice must also state that class members have an opportunity to opt out, that the judgment will bind all class members who do not opt out, and that any member who does not opt out may appear through counsel. Fed. R. Civ. P. 23(c)(2)(B). The form of notice is

⁷ For a more detailed analysis of the Rule 23 factors and how they apply to this case, please see Plaintiffs’ Memorandum of Law in Support of Class Certification, Dkt. No. 313.

“adequate if it may be understood by the average class member.” 4 Newberg on Class Actions § 11.53 at 167 (4th ed. 2002).

The Notice Plan. Class Counsel propose to send copies of the Notice (attached hereto as Ex. 4) by first class mail to all persons and entities identified from Defendants’ transactional data as direct purchasers during the Settlement Class Period.⁸ In addition, Class Counsel propose that a Summary Notice (attached hereto as Ex. 5) be published in the national edition of *The Wall Street Journal* and several trade journals believed to be read by members of the Settlement Class.⁹ See, e.g., *In re Aftermarket Filters Antitrust Litig.*, No. 08-CV-4883, Dkt. No. 1036 (N.D. Ill. Nov. 8, 2012) (Order granting preliminary approval and authorizing notice by First Class Mail and publication in *The Wall Street Journal*); *In re Sulfuric Acid Antitrust Litig.*, No. 03-C-4576 (N.D. Ill. June 13, 2007) (same). Finally, Class Counsel propose to provide information regarding the Settlement on a website containing information and documents of interest to members of the Class.

The Notice and Summary Notice. The contents of the proposed Notice (Ex. 4 hereto) and Summary Notice (Ex. 5 hereto) also satisfy the applicable requirements. Both the Notice and Summary Notice apprise Class members of the notice of the litigation, the material terms of the Settlements, and the available procedures and related deadlines. These include how a Class member may exclude itself from the Settlement Class or object to the Settlements’ terms. The Summary Notice informs Settlement Class members how to obtain the longer-form Notice; and

⁸ Class Counsel and the Class Administrator believe that they will be able to notify the vast majority of class members directly by first class mail. Seven of the eight defendants already have provided customer address lists.

⁹ The particular trade journals will be selected based on readership, target audience, dates of publication, and lead time requirements relative to the final approval hearing.

both notices tell class members how to access the settlement website and Court files. The Notice also informs Class members of the date, time and place of the hearing at which the Court will consider final approval of the Settlements and the application for reimbursement of expenses. Further, the Notice advises Settlement Class members of the ways in which Class Counsel propose to use the Settlement Fund: (a) to pay for reasonable expenses associated with the costs of giving notice and administration of the Settlement Fund; (b) subject to Court approval, to pay for reimbursement of expenses previously incurred by Class Counsel in the conduct of this litigation; and (c) at a later time, and upon further notice and opportunity to be heard, for allocation and distribution to the Settlement Class, and possibly for an award of attorneys' fees and/or reimbursement of additional expenses.

The contents of the proposed Notice, and the proposed method of its dissemination, which is calculated to reach all members of the Class who can be identified through reasonable efforts, therefore comport with Federal Rules of Civil Procedure 23(c)(2) and 23(e), as well as due process. *See generally Eisen v. Carlisle & Jacquelin*, 417 U.S. 156, 175-77 (1974) (due process is satisfied by mailed notice to all class members who reasonably can be identified); *Hanlon*, 150 F.3d at 1025-26 (finding that form and distribution of notice was adequate where it complied with criteria described above); *In re Lease Oil Antitrust Litig.*, 186 F.R.D. 403, 429 (S.D. Tex. 1999) (mailed notice to all class members whose address was known, and publication notice, satisfied due process and Rule 23).

VI. THE REQUESTED PROCEDURES AND TIMELINE.

Plaintiffs propose the following schedule for the rest of the approval process:

a. As soon as practicable after entry of the preliminary approval order(s), the Notice will be sent by first class mail to all potential Settlement Class members for whom Class Counsel and the Class Administrator are able to obtain addresses.¹⁰

b. The Summary Notice will be published once in the national edition of *The Wall Street Journal*, and once in the trade journals selected by the Class Administrator (see n.9 above) at the time the Notice is mailed or as soon thereafter as is feasible.

c. The Settlement website will be placed into service at the time the Notice is mailed.

d. Any requests for exclusion from the Settlement Class must be received by the Class Administrator no later than forty-five (45) days after the date of the mailing of the Notice.

e. Any objections to the Settlement(s), requests to be heard at the final approval hearing, or entry of a separate appearance for a member of the Settlement Class must be filed with the Court and served on Class Counsel and counsel for Settling Defendants no later than forty-five (45) days after the mailing of the Notice.

f. The final approval hearing will be held on a date and time to be chosen by the Court. Plaintiffs suggest that the hearing be scheduled approximately three months after entry of the preliminary approval order.

CONCLUSION

For the reasons stated herein, Plaintiffs respectfully request that the Court grant their motion for preliminary approval of the CMC, AK Steel and Gerdau Settlements, conditionally

¹⁰ The Class Administrator estimates that it will take three weeks after approval of the Notice and Notice Plan to effectuate the mailing.

certify the settlement class, and authorize dissemination of notice, in the form and manner described above, to the Class Members.

Dated: April 3, 2014

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that on this 3rd day of April, 2014, I electronically filed **PLAINTIFFS' MEMORANDUM OF LAW IN SUPPORT OF PLAINTIFFS' MOTION FOR PRELIMINARY APPROVAL OF SETTLEMENTS WITH COMMERCIAL METALS CORPORATION, AK STEEL HOLDING CORPORATION AND GERDAU AMERISTEEL CORPORATION, CONDITIONAL CERTIFICATION OF A SETTLEMENT CLASS, AND APPROVAL OF NOTICE, SUMMARY NOTICE AND NOTICE PLAN** with the Clerk of the Court using the CM/ECF system which sent notification of such filing to the following: All Parties Who Are Currently On The Court's Electronic Mail Notice List and on the Attached Service List.

/s/ Jeffrey S. Istvan
Jeffrey S. Istvan

EXHIBIT 1

UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

STANDARD IRON WORKS, on behalf of
itself and all others similarly situated,

Plaintiffs,

v.

ARCELORMITTAL; ARCELORMITTAL
USA, INC.; UNITED STATES STEEL
CORPORATION; NUCOR
CORPORATION; GERDAU
AMERISTEEL CORPORATION; STEEL
DYNAMICS, INC.; AK STEEL HOLDING
CORPORATION; SSAB SWEDISH
STEEL CORPORATION; COMMERCIAL
METALS, INC.,

Defendants.

Case No. 08 C 5214

Judge James B. Zagel

SETTLEMENT AGREEMENT

This Settlement Agreement is made and entered into as of the 10th day of March, 2014, by Commercial Metals Company (“CMC” or “Settling Defendant”) and Standard Iron Works, Wilmington Steel Processing Co., Inc., Capow, Inc. d/b/a Eastern States Steel, Alco Industries, Inc., and Gulf Stream Builders Supply, Inc., in their individual capacities and in their capacity as representatives of a proposed Settlement Class, as defined herein (“Plaintiffs”) (collectively referred to as “the Parties”):

WHEREAS, there is pending in the United States District Court for the Northern District of Illinois, Eastern Division, a Class Action Complaint for Damages captioned *Standard Iron Works v. ArcelorMittal, et al.*, Case No. 08-C-5214, that was filed on September 12, 2008

(“Complaint”) and consolidated with several related cases,¹ in which Plaintiffs allege that defendants unlawfully agreed to restrict the output of steel products in the United States, in violation of the Sherman Act (the “Action”);

WHEREAS, Settling Defendant denies any and all wrongdoing in connection with the claims that have or could have been alleged against it in the Action and has asserted a number of defenses to Plaintiffs’ claims;

WHEREAS, Settling Defendant, through its counsel, and Plaintiffs, through their counsel, have engaged in vigorous, arms-length negotiations that led to this Settlement Agreement, which embodies all of the terms and conditions of the settlement among the Parties, subject to approval of this Settlement Agreement by the Court;

WHEREAS, Plaintiffs are represented in the Action by Kellogg, Huber, Hansen, Todd, Evans & Figel, P.L.L.C., and Fine, Kaplan and Black, R.P.C. (collectively, “Interim Co-Lead Class Counsel”), along with other counsel (collectively with Interim Co-Lead Class Counsel, “Plaintiffs’ Counsel”), and Settling Defendant is represented in the Action by Dechert LLP (“Defendant’s Counsel”);

WHEREAS, Plaintiffs’ Counsel have concluded, despite their belief after extensive discovery and investigation of the facts that their claims have merit, after carefully considering the circumstances of the case, including the claims asserted in the Complaint and the possible legal and factual defenses thereto, that it would be in the best interests of the Settlement Class to enter into this Settlement Agreement in order to avoid the uncertainties of litigation and assure

¹ Putative class representatives filed seven direct purchaser class actions in this Court, which have been consolidated in this action: Standard Iron Works v. ArcelorMittal et al., No. 08 C 5214; Wilmington Steel Processing Co., Inc. v. ArcelorMittal et al., No. 08 C 5371; Capow, Inc. v. ArcelorMittal et al., No. 08 C 5633; MPM Display, Inc. v. ArcelorMittal et al., No. 08 C 5700; REM Sys., Inc. v. ArcelorMittal et al., No. 08 C 5942; Alco Indus. Inc. v. ArcelorMittal, et al., No. 08 C 06197, and Gulf Stream Builders Supply, Inc. v. ArcelorMittal, et al, No. 10-cv-4263. The MPM Display and REM Systems cases were voluntarily dismissed.

that the benefits reflected herein are obtained for the Settlement Class and, further, that Plaintiffs' Counsel consider the settlement set forth herein to be fair, reasonable and adequate and in the best interests of the Plaintiffs and all members of the Settlement Class;

WHEREAS, Settling Defendant, despite its belief, after extensive discovery and investigation of the facts, that the claims lack merit and that it has full and complete defenses to the claims asserted against it, has agreed to enter into this Settlement Agreement to avoid further expense, inconvenience, and distraction of burdensome and protracted litigation, and to thereby put to rest with finality this controversy with Plaintiffs and the Settlement Class Members;

WHEREAS, Settling Defendant and Plaintiffs have had a full opportunity to examine the facts and circumstances surrounding their respective decisions to accept the terms of the Settlement Agreement and have not relied on any representations (or the lack thereof) made by any other party concerning the circumstances leading to this Settlement Agreement;

NOW, THEREFORE, it is agreed between Settling Defendant and Plaintiffs, and by and through Plaintiffs' Counsel and Defendant's Counsel, in consideration for the mutual covenants contained in this Settlement Agreement and other good and valuable consideration the adequacy of which is hereby acknowledged, that the Action against Settling Defendant be settled, compromised and dismissed on the merits and with prejudice and, except as hereafter provided, without costs as to Plaintiffs or Settling Defendant, subject to the approval of the Court, on the following terms and conditions:

1. Settlement Class. The proposed Settlement Class shall consist of:

All persons (excluding Defendants, their present and former parents, subsidiaries, affiliates, joint ventures, co-conspirators and government entities) who Purchased Steel Products directly from any of the defendants in *Standard Iron Works v. ArcelorMittal et al.*, Case No. 08-C-5214, or their subsidiaries or controlled affiliates at any time between April 1, 2005 and December 31,

2007 (“the Settlement Class Period”) for delivery in the United States.

For purposes of the class definition, the terms “Steel Products” and “Purchased” are more specifically defined as follows:

“Steel Products” are defined as products derived from raw carbon steel and sold directly by any of the Defendants or their subsidiaries or controlled affiliates in the United States, including all carbon steel slabs, plates, sheet and coil products, galvanized and other coated sheet products; billets, blooms, rebar, merchant bar, beams and other structural shapes; and all other steel products derived from raw carbon steel and sold by Defendants except as specifically excluded below.

“Steel Products” specifically exclude the following product categories: stainless steel; grain-oriented electrical steel; tin mill products; clad plate (i.e., nickel, stainless or copper clad plate); steel pipe and other tubular products; “special bar quality” products; wire rod and other wire products; grinding balls; fabricated rebar products; fabricated steel joist, decking, fence posts and other fabricated building products; welded steel blanks; and steel products purchased under toll processing agreements.

The term “Purchased” includes all transactions for which pricing was negotiated during the class period and delivery was received during the class period. The class definition also includes transactions for which a sales contract was negotiated before the class period but (i) delivery was received during the class period and (ii) the actual transaction price under the contract was adjusted (or indexed) based on market pricing that prevailed during the class period.

2. **Reasonable Best Efforts to Effectuate This Settlement Agreement.** The Parties shall undertake their reasonable best efforts, including all steps and efforts contemplated by this Settlement Agreement and any other steps and efforts that may be necessary or appropriate, by order of the Court or otherwise, to carry out the terms of this Settlement Agreement.

3. **Motion for Preliminary Approval.** As soon as practicable following the execution of this Settlement Agreement, Class Counsel shall submit to the Court a motion, which

shall not be opposed by Settling Defendant, seeking entry of an order in substantially the form annexed hereto as Exhibit A (“Preliminary Approval Order”) preliminarily approving the Settlement, certifying the Settlement Class solely for the purposes of this Settlement, approving the Notice and Notice Plan, and suspending all deadlines as against Settling Defendant until the Court renders a final decision concerning the approval of the Settlement Agreement, and if it approves the Settlement Agreement, enters the final judgment.

4. Notice to Settlement Class. Upon entry of the Preliminary Approval Order, Plaintiffs’ Counsel shall, in accordance with the Preliminary Approval Order, provide notice of the proposed settlement to members of the Settlement Class. Prior to submission of the proposed Notice and Notice Plan to the Court, Class Counsel will provide a draft Notice and Notice Plan to Settling Defendant for its comments and approval. Class Counsel will, in good faith, consider Settling Defendant’s comments, and Settling Defendant reserves the right to call to the Court’s attention any deficiencies it believes exist in the Notice or Notice Plan. The Notice and Notice Plan will be reasonably calculated to apprise Settlement Class Members of the pendency of the Action, the Settlement Agreement, and their opportunity to be heard in connection therewith. The Notice Plan will provide that Notice will be given (i) by direct mail to Settlement Class Members who can be identified through reasonable efforts, and if necessary (ii) by publication to all Settlement Class Members in selected media. Settlement Class Members shall have the right to exclude themselves from the Settlement Class pursuant to the procedure set forth in the Notice. Within ten (10) days of the conclusion of the period in which Settlement Class Members may file a written request for exclusion, Class Counsel shall deliver to Defendant’s Counsel all such requests received. Each Settlement Class Member that does not file a timely written request for exclusion in accordance with the procedures set forth in the Notice shall be bound by

all of the terms of this Settlement Agreement, including the Release defined in Paragraph 12. Settlement Class Members also shall have the right to object to the fairness, reasonableness or adequacy of the Settlement or any part thereof, in accordance with the terms and conditions set forth in the Notice and the Preliminary Approval Order.

5. **Motion for Final Approval and Entry of Final Judgment.** At a final fairness hearing, Plaintiffs' Counsel shall seek entry of an order and final judgment in the form attached hereto as Exhibit B (the "Final Order and Judgment") finally approving the Settlement Agreement. Plaintiffs' Counsel may, at their sole discretion, also request from the Court an award of attorneys' fees and/or reimbursement of litigation expenses to be paid out of the Settlement Fund. Settling Defendant will not oppose Plaintiffs' request for final approval of the Settlement, and Settling Defendant will not oppose Plaintiffs' Counsel's request for an award of attorneys' fees and/or reimbursement of litigation expenses.

6. **Finality.** This Settlement Agreement shall become Final upon the occurrence of all of the following:

- a. Entry, as provided in Paragraph 5 above, is made of the Final Order and Judgment; and
- b. The time for appeal or to seek permission to appeal from the Final Order and Judgment expires, or if appealed, either; (i) such appeal is dismissed with prejudice prior to resolution by the applicable court; (ii) the Final Order and Judgment is affirmed in its entirety by the court of last resort to which such appeal may be taken; or (iii) the Final Order and Judgment is modified and finally entered and neither Settling Defendant nor Plaintiffs elects to terminate the Settlement pursuant to paragraph 14 below.

7. **Settlement Administrator.** Pursuant to the Preliminary Approval Order, Plaintiffs' Counsel shall engage a qualified settlement administrator (the "Settlement Administrator") to assist with the settlement claims process, if any, and perform certain ministerial functions concerning the Escrow Account as set forth in Paragraph 9. All Court-approved costs and expenses reasonably and actually incurred by the Settlement Administrator in connection with providing notice to the Settlement Class, communicating with Settlement Class Members, and, if applicable, administering and distributing the Settlement Fund ("Notice and Administration Costs") shall be paid solely from the Settlement Fund, in accordance with Paragraph 10(b). Notice and Administration Costs shall not include any amounts attributable to the Expense Amount as defined in Paragraph 10(c).

8. **The Settlement Fund.** Subject to the provisions hereof, and in full, complete, and final settlement of this matter as provided herein, within ten (10) business days after entry of the Preliminary Approval Order, Settling Defendant shall pay by wire transfer three million, nine hundred ninety-nine thousand, nine hundred ninety-nine U.S. dollars (\$3,999,999.00) (the "Settlement Amount") into an escrow account ("Escrow Account") established and administered pursuant to an escrow agreement agreeable to the Parties ("Escrow Agreement"). Settling Defendant shall have no payment obligation after the payment of the Settlement Amount. The Escrow Account shall be administered by an escrow agent mutually satisfactory to Settling Defendant and Plaintiffs' Counsel (the "Escrow Agent"). In accordance with the Escrow Agreement, the Escrow Agent shall be instructed to invest the Settlement Amount in United States Treasury Bills, United States Treasury Notes, or other instruments insured or guaranteed by the full faith and credit of the United States, and any interest earned on the Settlement Amount (together with the Settlement Amount) shall become part of the "Settlement Fund." The

Attorneys' Fees, Expense Amount, Notice and Administration Costs, Tax Expenses and any other costs of implementing the settlement as the Court may determine shall be paid solely from the Settlement Fund. The Settlement Fund shall be paid and distributed in accordance with orders of the Court, this Settlement Agreement and the Escrow Agreement. Settling Defendant shall take no position, and shall have no obligation, responsibility or liability with respect to the management, allocation, administration or distribution of the Settlement Fund.

9. Escrow Account.

a. The Parties agree to treat the Escrow Account and the Settlement Fund at all times as a single "qualified settlement fund" within the meaning of Treas. Reg. Section 1.468B-1. All necessary steps shall be taken to ensure that the Escrow Account and Settlement Fund are treated as a "qualified settlement fund" in accordance with Treasury Regulation 1.468B-1. The Parties and their respective agents shall not take any action that would adversely affect the qualification of the Escrow Account and the Settlement Fund as a qualified settlement fund or would cause the Escrow Account and the Settlement Fund to be treated as a grantor trust for tax purposes. At the request of Settling Defendant, a "relation back election" as described in Treas. Reg. §1.468B-1(j) shall be made so as to enable the Settlement Fund to be treated as a qualified settlement fund from the earliest date possible and all parties shall take all steps necessary or appropriate to this end.

b. For the purposes of Section 468B of the Internal Revenue Code of 1986, and Treas. Reg. Section 1.468B-2(k)(3), the "administrator" shall be the Settlement Administrator. The Parties agree that the Settlement Administrator shall be engaged to timely and properly file all informational and other tax returns necessary or advisable with respect to the Escrow Account (including without limitation the returns described in Treas. Reg. Section

1.468B-2(k)(1) and Treas. Reg. Section 1.468B2(l)). Such returns shall be consistent with this subparagraph (b) and in all events shall reflect that all taxes (including any estimated taxes, interest or penalties) on the income earned by the Escrow Account shall be paid out of the Escrow Account as provided in subparagraph (c) herein.

c. All taxes (including any estimated taxes, interest or penalties) arising with respect to the income earned on the Settlement Fund by the Escrow Account (“Taxes”) shall be paid out of the Escrow Account upon joint written instructions from Plaintiffs’ Counsel and Defendant’s Counsel, in accordance with Paragraph 10(a). All expenses and costs incurred by the Settlement Administrator in connection with the operation and implementation of this paragraph (including, without limitation, reasonable expenses of tax attorneys and/or accountants and mailing and distribution costs, expenses or penalties relating to filing (or failing to file) the returns described in this paragraph) (“Tax Expenses”) shall be treated as, and considered to be, an Administration Cost of the settlement and shall be paid upon Court order in accordance with Paragraph 10(b). The Settlement Administrator shall be obligated (notwithstanding anything herein to the contrary) to withhold from distribution any funds necessary to pay Taxes and Tax Expenses.

10. Distribution of the Settlement Fund. The Parties agree that the Settlement Fund shall be paid out as follows:

- a. Taxes shall be paid in accordance with paragraph 9 above.
- b. After entry of an order approving such distribution, the Settlement Administrator shall be paid Notice and Administration Costs and Tax Expenses.
- c. After entry of an order awarding attorneys’ fees to Class Counsel (“Attorneys’ Fees”) and/or reimbursement of litigation expenses, e.g., expert fees, hearing and

deposition expenses, e-discovery expenses, travel expenses, etc., to Class Counsel (the “Expense Amount”), and within five (5) banking days following written certification by Plaintiffs’ Counsel and counsel for Settling Defendant that the Effective Date (as defined in paragraph 11 below) has occurred, the Attorneys’ Fees and/or Expense Amount, or \$2 million, whichever is less, may be paid in accordance with the written instructions of Plaintiffs’ Counsel; provided, however, that any Plaintiffs’ Counsel seeking to draw down their share of the Attorneys’ Fees or Expense Amount prior to the Settlement Agreement becoming Final shall submit to the Settlement Administrator a Letter of Credit or Letters of Credit on terms and issued by banks acceptable to Settling Defendant securing repayment in the amount of the draw down.

d. After entry of an order awarding Attorneys’ Fees and/or an Expense Amount, and within five (5) banking days after receipt of written notification by Plaintiffs’ Counsel and Defendant’s Counsel that the Settlement Agreement has become Final (as defined in paragraph 6 above), any then-unpaid portion of the Attorneys’ Fees and/or Expense Amount, e.g., any portion in excess of the amounts drawn down in accordance with subparagraph (c) above, shall be paid in accordance with the written instructions of Plaintiffs’ Counsel.

e. Within five (5) banking days following written certification by Plaintiffs’ Counsel and counsel for Settling Defendant that the Effective Date will not occur, and in accordance with written instructions of Settling Defendant, that portion of the Settlement Fund, including accrued interest thereon, that remains after an allowance for any unpaid Notice and Administration Costs and Tax Expenses shall be paid to Settling Defendant.

f. If funds remain in the Settlement Fund after payment of the amounts set forth in subparagraphs (a)-(d) above, then (i) after written certification by counsel for Settling Defendant and Plaintiffs’ Counsel that the Settlement Agreement is Final pursuant to paragraph

6 hereof, and (ii) after receipt of an order of the Court approving distribution of the Settlement Fund to the Settlement Class, the remaining Settlement Funds shall be distributed as ordered by the Court; provided, however, that any amounts in the Escrow Account necessary for Taxes or Tax Expenses shall remain in the Escrow Account.

g. Each Class member shall look solely to the Settlement Amount for settlement and satisfaction, as provided herein, of all claims released by the Releasors (as defined below). Other than payment of the Settlement Amount, Settling Defendant shall not be liable for any fees or expenses of Plaintiffs' Counsel, Plaintiffs, or any Settlement Class Member in connection with the Action or any Released Claims (as defined below). Plaintiffs' Counsel agree that they will not seek any additional fees or expenses from Settling Defendant in connection with the Action and the Settlement Agreement, set forth herein.

h. In the event that the Final Order and Judgment is reversed on appeal, in whole or in part, and the Settlement Agreement is terminated pursuant to Paragraph 14 below, then (i) Plaintiffs' Counsel shall reimburse the Settlement Fund within ten (10) days all or the pertinent portion of any draw down of Attorneys' Fees or Expense Amounts, described above in subparagraph (c) with interest, calculated at the rate of interest published in the *Wall Street Journal* for three-month U.S. Treasury Bills as of the close of the date that the draw-down was distributed, and (ii) within five (5) banking days thereafter, upon receipt of written certification by Plaintiffs' Counsel and counsel for Settling Defendant that the Settlement Agreement has terminated, and in accordance with written instructions of counsel for Settling Defendant, that portion of the Settlement Fund, including any interest thereon, that remains after an allowance for any unpaid Notice and Administration Costs and Tax Expenses shall be distributed to Settling

Defendant The Settlement Administrator may present the Letter(s) of Credit in the event Plaintiffs' Counsel fails to honor the obligation to repay the amount withdrawn.

i. In the event that the Settlement Agreement is not terminated but the Court's order awarding the Attorneys' Fees or Expense Amount is vacated, in whole or in part, then by a date no later than ten (10) days after finality of such an order (including any appeals or proceedings on remand), Plaintiffs' Counsel, and each of them, shall be obligated to return, and do hereby agree that they shall return to the Settlement Fund, any vacated portion of the Attorneys' Fees and/or Expense Amount that has been distributed to them. The Settlement Administrator may present the Letter(s) of Credit in the event Plaintiffs' Counsel fails to honor the obligation to repay the amount withdrawn.

11. Effective Date of Settlement Agreement. The Effective Date of this Settlement Agreement shall be the first day after which all of the following events and conditions of this Settlement Agreement have been met or have occurred:

- a. Counsel for Settling Defendant and Plaintiffs' Counsel have executed this Settlement Agreement;
- b. The Preliminary Approval Order has been entered;
- c. The deadline for Settlement Class Members to request exclusion from the Settlement has passed; and
- d. The Court has entered the Final Order and Judgment approving the Settlement Agreement.

12. Releases.

- a. Upon the Effective Date, all Settlement Class Members, on behalf of themselves and their respective past, present, direct and indirect parents, subsidiaries, affiliates,

predecessors and successors, and the past and present officers, directors, employees, agents, insurers, attorneys, shareholders, joint ventures, partners, and representatives, as well as the predecessors, successors, heirs, executors, administrators, and assigns of each of the foregoing (“Releasers”) shall be deemed to have, and by operation of the Final Order and Judgment, shall have, fully, finally, and forever released and discharged Settling Defendant, its past and present, direct and indirect parents, subsidiaries, affiliates, predecessors and successors, and the past and present officers, directors, employees, agents, insurers, attorneys, shareholders, joint ventures, partners, and representatives, as well as the predecessors, successors, heirs, executors, administrators, and assigns of each of the foregoing (“Released Parties”) from all claims, actions, causes of action, lawsuits, damages, liabilities, costs, expenses, whether class or individual in nature, whether known or unknown, foreseen or unforeseen, existing in the past, existing in the present or arising in the future, that were or could have been alleged in this Action (“Released Claims”). Each Releaser hereby covenants and agrees that it shall not, hereafter, seek to establish liability against any Released Party based in whole or in part on any Released Claims.

b. In addition, each Releaser hereby expressly waives and releases, upon this Settlement Agreement becoming final, any and all provisions, rights, or benefits conferred by section 1542 of the California Civil Code, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor;

and any law of any state or territory of the United States, or principle of common law, which is similar, comparable or equivalent to section 1542 of the California Civil Code. Each Settlement Class Member may hereafter discover facts other than or different from those which he, she or it knows or believes to be true with respect to the Released Claims. Nevertheless, each Settlement

Class Member hereby expressly waives and fully, finally and forever settles and releases, upon this Settlement Agreement becoming final, the Released Claims, whether any Released Claim is known or unknown, suspected or unsuspected, contingent or non-contingent, concealed or hidden, without regard to the subsequent discovery or existence of such different or additional facts. Each Releasor further forever waives and relinquishes any and all rights and benefits existing under any law or principle of law in any jurisdiction that would limit or restrict the effect or scope of the provisions of the release set forth above without regard to the subsequent discovery or existence of other or different facts.

c. The Releases set forth herein shall not release any claims, whether pending or not, whether known or unknown, for product liability, personal injury, breach of warranty, breach of contract, nor shall they release claims under the Uniform Commercial Code or any other claims whatsoever that are not related to the subject matter of the Complaint.

13. Reservation of Claims. This Settlement Agreement does not settle or compromise any claims by Plaintiffs or any Settlement Class Member against any party other than the Released Parties. The Settlement Class Members intend by this Settlement Agreement to settle with and release only the Released Parties, and the Parties do not intend this Settlement Agreement, or any part hereof, to release or otherwise affect in any way any rights Settlement Class Members have or may have against any other party or entity whatsoever, including but not limited to non-settling Defendants ArcelorMittal, ArcerlorMittal USA, Inc., United States Steel Corporation, Nucor Corporation, Gerdau Ameristeel Corporation, Steel Dynamics, Inc., AK Steel Holding Corporation, and SSAB Swedish Steel Corporation, and their past and present, direct or indirect parents, subsidiaries, affiliates, predecessors or successors. All rights of any Settlement Class Member against non-settling Defendants or any other person or entity (other

than the Released Parties) for sales made by Settling Defendant are specifically reserved by Plaintiffs and the Settlement Class Members. Sales of steel products by the Settling Defendant in the United States shall remain the subject of damages and/or joint and several liability claims in the Action against defendants other than Settling Defendant and/or against any future defendants other than the Released Parties.

14. Rights to Terminate Settlement. If the Court does not finally approve this Settlement Agreement in its entirety, or if such approval is materially modified or set aside on appeal, or if the Court does not enter the Final Order and Judgment substantially in the form provided for in Exhibit B attached hereto, or if the Court enters the Final Order and Judgment and appellate review is sought and, on such review, such Final Order and Judgment is not affirmed or is affirmed with material modifications, then this Settlement Agreement may be terminated upon the election of Settling Defendant or Plaintiffs' Counsel. A modification or reversal on appeal of (i) any amount of Attorneys' Fees or Expense Amount awarded by the Court from the Settlement Fund or (ii) of a proposed plan of distribution shall not be deemed a material modification of all or a part of the terms of this Settlement Agreement or Final Order and shall not give rise to any right of termination. Except as provided in this paragraph, no Party or Counsel shall have any other right to terminate this Settlement Agreement.

15. Effect of Termination. If this Settlement Agreement is terminated pursuant to Paragraph 14, then (a) any Attorneys' Fees or Expense Amounts paid to Plaintiffs' Counsel shall be paid to the Settlement Fund in accordance with paragraph 10(h); (b) the Settlement Fund, net of (i) Tax Expenses, and (ii) Notice and Administration Costs, shall be returned to the Settling Defendant; (c) the Settlement Agreement shall be of no force or effect, except for payment of Tax Expenses and Notice and Administration Costs from the Settlement Fund; (d) any Release

pursuant to paragraph 12 shall be of no force or effect; and (e) the Parties will return to litigation of this Action as if the Settlement had never happened, with all Parties bound by all Orders of the Court regardless of the date of entry. The parties otherwise expressly reserve all of their rights if this Settlement Agreement is terminated or does not become final.

16. No Admission; Reservation of Rights. Neither this Settlement Agreement, whether it becomes final or not, nor any negotiations, documents, or discussions associated with it, nor any proceedings undertaken in accordance with the terms set forth herein, shall be construed as or deemed to be evidence of or an admission or concession by Settling Defendant in any action or proceeding of any kind whatsoever, civil, criminal, or otherwise, before any court, administrative agency, regulatory body, or any other body or authority, present or future, of any violation of any statute or law, of any liability or wrongdoing by Settling Defendant, or of the truth or validity of any of the claims or allegations contained in the Complaint or any other pleading that Plaintiffs or the Settlement Class have or could have asserted against Settling Defendant including, without limitation, that Settling Defendant has engaged in any conduct or practice that violates any antitrust statute, or other law, regulation or obligation. Settling Defendant expressly denies any liability whatsoever for any and all such claims and allegations.

17. Cooperation. Once the Settlement Agreement becomes final, Settling Defendant agrees (i) to produce, at Settling Defendant's expense, in native format, all non-privileged documents that have been collected from the eight former CMC employees identified in Plaintiffs' November 19, 2010 Motion to Compel (the "CMC Former Employees") by Defendant's Counsel to date for purposes of this litigation but that have not yet been produced; (ii) to produce, at Plaintiffs' option and expense, all other non-privileged documents that have been collected by Defendant's Counsel to date for purposes of this litigation but that have not yet

been produced; and (iii) to cooperate with Plaintiffs to authenticate and qualify as business records, if applicable, up to 50 of its documents that are identified by Plaintiffs as potential trial exhibits, either via written affidavit or, if required by the Court, by providing a custodian of records witness. Privileged documents shall be identified through the use of search terms used by Settling Defendant in its initial document production. Should Plaintiffs identify any privileged document that has been inadvertently produced as a result of this paragraph, they shall immediately return the inadvertently-produced document to Settling Defendant and advise Settling Defendant of all parties to whom the document has been produced. Counsel for Settling Defendant further agrees to use its reasonable best efforts to assist Plaintiffs to find and interview regarding the facts alleged in this Action the CMC Former Employees.

18. Confidentiality. All orders entered during the course of the Action relating to the confidentiality of information shall survive this Settlement Agreement.

19. Consent to Jurisdiction. Settling Defendant, Plaintiffs, Defendant's Counsel, Plaintiffs' Counsel and Settlement Class Members hereby submit to the exclusive jurisdiction of the Court for the purpose of any suit, action, proceeding, or dispute seeking enforcement of this Settlement Agreement or any of the terms herein or the applicability of this Settlement Agreement or the Escrow Account.

20. Resolution of Disputes: Retention of Jurisdiction. Any disputes between or among Settling Defendant, Plaintiffs, Plaintiffs' Counsel, Defendant's Counsel and any Settlement Class Member concerning matters contained in this Settlement Agreement, the Escrow Account and all related agreements and matters shall, if they cannot be resolved by negotiation and agreement, be submitted to the Court. The Court shall retain jurisdiction over

the implementation and enforcement of this Settlement Agreement, the Escrow Account and all related agreements and matters.

21. **Authorization to Enter Settlement Agreement.** The undersigned representatives of Settling Defendant represent that they are fully authorized to enter into and to execute this Settlement Agreement on behalf of Settling Defendant. The undersigned representatives of Plaintiffs represent that they are fully authorized to enter into and to execute this Settlement Agreement on behalf of Plaintiffs and the Settlement Class Members, subject to Court approval.

22. **No Party Is the Drafter.** None of the parties hereto shall be considered to be the drafter of this Settlement Agreement or any provision hereof for the purpose of any statute, case law, or rule of interpretation or construction that would or might cause any provision to be construed against the drafter hereof.

23. **Inconsistency Between the Settlement Agreement and Exhibits.** Any inconsistency between this Settlement Agreement and the exhibits attached hereto shall be resolved in favor of the Settlement Agreement.

24. **Choice of Law.** All terms of this Settlement Agreement shall be governed by and interpreted according to the substantive laws of the State of Illinois without regard to its choice-of-law or conflict-of-laws principles.

25. **Amendment; Waiver.** This Settlement Agreement shall not be modified in any respect except by a writing executed by all the parties hereto, and the waiver of any rights conferred hereunder shall be effective only if made by written instrument of the waiving party. The waiver by any party of any breach of this Settlement Agreement shall not be deemed or

construed as a waiver of any other breach, whether prior, subsequent, or contemporaneous, of this Settlement Agreement.

26. **Execution in Counterparts.** This Settlement Agreement may be executed in counterparts. Facsimile or .pdf signatures shall be considered as valid signatures as of the date thereof.

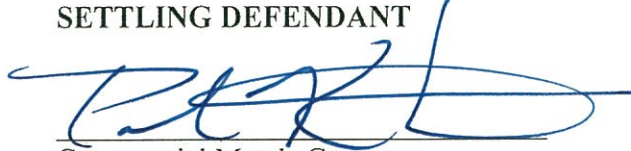
27. **Integrated Agreement.** This Settlement Agreement, including the exhibits hereto and the Supplemental Letter, comprise the entire, complete, and integrated statement of each and every term and provision agreed to by and between the Parties.

28. **Construction.** This Settlement Agreement shall be construed and interpreted to effectuate the intent of the parties, which is to provide, through this Settlement Agreement, for a complete resolution of the Released Claims with respect to the Released Parties.

IN WITNESS WHEREOF, the parties hereto, through their fully authorized representatives, have executed this Settlement Agreement as of the date last executed.

Date: March 10, 2014

SETTLING DEFENDANT


Commercial Metals Company

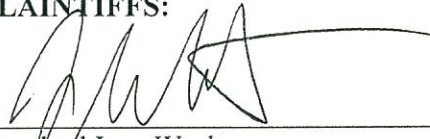
By:

Paul K. Kirkpatrick

Its:

**VP, General Counsel and
Corporate Secretary**

PLAINTIFFS:


Standard Iron Works
Wilmington Steel Processing Co., Inc.
Capow, Inc. d/b/a Eastern States Steel
Alco Industries, Inc.
Gulf Stream Builders Supply, Inc.

By:

Jeffrey S. Istron
Interim Co-Lead Class Counsel

EXHIBIT A

UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

STANDARD IRON WORKS, on behalf of
itself and all others similarly situated,

Plaintiffs,

v.

ARCELORMITTAL; ARCELORMITTAL
USA, INC.; UNITED STATES STEEL
CORPORATION; NUCOR
CORPORATION; GERDAU
AMERISTEEL CORPORATION; STEEL
DYNAMICS, INC.; AK STEEL HOLDING
CORPORATION; SSAB SWEDISH
STEEL CORPORATION; COMMERCIAL
METALS, INC.,

Defendants.

Case No. 08 C 5214

Judge James B. Zagel

**[PROPOSED] ORDER PRELIMINARILY APPROVING THE
SETTLEMENT WITH COMMERCIAL METALS COMPANY¹
AND AUTHORIZING DISSEMINATION OF NOTICE**

Upon consideration of (i) Plaintiffs' Unopposed Motion for Preliminary Approval of Settlement with Commercial Metals Company (the "Motion"), (ii) the Settlement Agreement dated March 10, 2014, attached as Exhibit 1 to the Motion, (iii) the Brief in support of the Motion (the "Preliminary Approval Brief"), (iv) the proposed Notice Plan (collectively, the "Settlement Documents"), and (v) the oral arguments of the Parties, if any; and for good cause shown;

¹ Commercial Metals Company is improperly named as "Commercial Metals, Inc." in the caption of the Complaint but is otherwise correctly named in the body of the Complaint.

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that said Motion is GRANTED as follows:

I. Jurisdiction

1. This Court has jurisdiction over this Action and over all the parties.

II. Certification of the Proposed Settlement Class

2. The Court makes the following preliminary determinations as required by Rule 23 in light of the proposed settlement:

- a. Pursuant to Fed. R. Civ. P. 23(c)(1)(B), the Court preliminarily certifies the following Settlement Class:

All persons (excluding Defendants, their present and former parents, subsidiaries, affiliates, joint ventures, co-conspirators and government entities) who Purchased Steel Products directly from any of the defendants in *Standard Iron Works v. ArcelorMittal et al.*, Case No. 08-C-5214, or their subsidiaries or controlled affiliates at any time between April 1, 2005 and December 31, 2007 (“the Settlement Class Period”) for delivery in the United States.

For purposes of the class definition, the terms “Steel Products” and “Purchased” are more specifically defined as follows:

“Steel Products” are defined as products derived from raw carbon steel and sold directly by any of the Defendants or their subsidiaries or controlled affiliates in the United States, including all carbon steel slabs, plates, sheet and coil products, galvanized and other coated sheet products; billets, blooms, rebar, merchant bar, beams and other structural shapes; and all other steel products derived from raw carbon steel and sold by Defendants except as specifically excluded below.

“Steel Products” specifically exclude the following product categories: stainless steel; grain-oriented electrical steel; tin mill products; clad plate (i.e., nickel, stainless or copper clad plate); steel pipe and other tubular products; “special bar quality” products; wire rod and other wire products; grinding balls; fabricated rebar products; fabricated steel joist, decking, fence posts and other fabricated building products; welded steel blanks; and steel products purchased under toll processing agreements.

The term “Purchased” includes all transactions for which pricing was negotiated during the class period and delivery was received during the class period. The class definition also includes transactions for which a sales contract was negotiated before the class period but (i) delivery was received during the class period and (ii) the actual transaction

price under the contract was adjusted (or indexed) based on market pricing that prevailed during the class period.

See Settlement Agreement ¶ 1.

b. Pursuant to Rule 23(a)(1), the Court preliminarily determines that the members of the Settlement Class are ascertainable from the reasonably accessible records available to Plaintiffs' Counsel and Defendants and that members of the Settlement Class are so numerous that their joinder before the Court would be impracticable.

c. Pursuant to Fed. R. Civ. P. 23(a)(2) and 23(c)(1)(B), the Court preliminarily determines that Plaintiffs have alleged one or more questions of fact or law common to the Settlement Class, including whether Defendants violated federal antitrust law by allegedly engaging in coordinated production cuts in order to raise, maintain or stabilize prices above competitive levels with respect to Steel Products.

d. Named Plaintiffs Standard Iron Works, Wilmington Steel Processing Co., Inc., Capow, Inc. d/b/a Eastern States Steel, Alco Industries, Inc., and Gulf Stream Builders Supply, Inc. (collectively, "Plaintiffs"), are hereby conditionally appointed as representatives of the Settlement Class, for the following reasons:

- i. Pursuant to Rule 23(a)(3), the Court preliminarily determines that the Plaintiffs' claims are typical of the claims of the proposed Settlement Class. Plaintiffs allege on behalf of the Settlement Class the same manner of injury from the same course of conduct that they complain of themselves, and Plaintiffs assert on their own behalf the same legal theory that they assert for the Settlement Class; and
- ii. Pursuant to Rule 23(a)(4), the Court preliminarily determines that Plaintiffs will fairly and adequately protect the interests of the Settlement Class. Plaintiffs' interests do not conflict with the interests of absent members of the Class. All of the Settlement Class members share a common interest in proving Defendants' alleged anticompetitive conduct, and all Settlement Class members share a common interest in

recovering the overcharge damages sought in the Complaints. Moreover, any Settlement Class member that wishes to opt out will be given an opportunity to do so. Furthermore, Plaintiffs have demonstrated the ability and incentive to represent the Settlement Class in this case, given the vigor with which they have prosecuted this action.

e. Pursuant to Rule 23(b)(3), the Court preliminarily determines that, in connection with and in light of the proposed Settlement, common questions of law and fact predominate over questions affecting only individual members. In light of the class-wide claims, issues, and defenses involved, the issues in this Action that are subject to generalized proof, and thus applicable to the Settlement Class as a whole, predominate over those issues that are subject only to individualized proof.

f. Also pursuant to Rule 23(b)(3), the Court preliminarily determines that, in connection with and in light of the proposed Settlement, a class action is superior to other available methods for the fair and efficient adjudication of this action. The Court believes it is desirable, for purposes of judicial and litigation efficiency, to concentrate the claims of the Settlement Class in a single action. The Court also believes that the class is manageable in light of the Settlement preliminarily approved in this Order.

g. Pursuant to Fed. R. Civ. P. 23(c)(1)(B) and 23(g), the Court having considered the factors provided in Rule 23(g)(1)(A), the following counsel (whom this Court previously appointed as interim Co-Lead Counsel for the Class) are hereby conditionally appointed as Co-Lead Counsel for the Settlement Class (“Co-Lead Counsel”):

KELLOGG, HUBER, HANSEN, TODD,
EVANS, & FIGEL, P.L.L.C.
Sumner Square
1615 M Street, N.W., Suite 400
Washington, DC 20036

FINE, KAPLAN AND BLACK, R.P.C.
One South Broad Street, 23rd Fl.
Philadelphia, PA 19107

III. Preliminary Approval of the Proposed Settlement

3. Upon review of the record and the Settlement Documents, the Court finds that the proposed Settlement – which includes, *inter alia*, a cash payment by Commercial Metals, Company (“CMC” or “Settling Defendant”) of \$3,999,999.00 for the benefit of the Settlement Class, in exchange for, *inter alia*, dismissal of the litigation with prejudice and releases of claims by Plaintiffs and the Settlement Class as set forth in the Settlement Agreement– was arrived at by good faith arm’s-length negotiations by highly experienced counsel, after years of litigation, and upon a developed litigation record. The Settlement falls within the range of reasonable and possibly approvable settlements, and is hereby preliminarily approved, subject to further consideration at the Fairness Hearing described below.

IV. Approval of the Plan of Notice to the Settlement Class

4. The proposed forms of notice to Settlement Class Members of the pendency of this Class Action and the proposed Settlement thereof, including the Mailed Notice and the Publication Notice (the “Notices”), and the proposed methods of notice dissemination described in the Preliminary Approval Brief and the Notice Plan satisfy the requirements of Rule 23(e) of the Federal Rules of Civil Procedure and due process of law, are otherwise fair and reasonable, and therefore are approved.

V. Appointment of the Settlement Administrator

5. The Court appoints _____ to serve as the Settlement Administrator to assist Class Counsel in disseminating the notice and, if applicable, with administering class

member claims, distributing Notices and claim forms, assisting in the computation of claimant allocation amounts, and doing all that is reasonably necessary to administer the Settlement. Class Counsel shall submit to the Court for approval all reasonable expenses incurred by the Settlement Administrator out of the Settlement Fund in accordance with the Settlement Agreement.

VI. The Settlement Schedule and the Final Fairness Hearing

6. A hearing on final approval (the “Fairness Hearing”) shall be held before this Court on _____, **2014**, at _____[a.m./p.m.], in Courtroom 2503, Everett McKinley Dirksen United States Courthouse, 219 South Dearborn Street, Chicago, IL 60604. At the Fairness Hearing, the Court will consider, *inter alia*:

- a. whether the Settlement Class meets the requirements for final certification for settlement purposes under Fed. R. Civ. P. 23;
- b. the fairness, reasonableness and adequacy of the Settlement and whether the Settlement should be finally approved;
- c. whether the Notices and Notice Plan satisfied the requirements of Fed. R. Civ. P. 23 and due process;
- d. whether the Court should award attorneys’ fees (if applied for) and approve reimbursement of expenses to Class Counsel, and in what amount(s);
- e. whether the Court should approve a proposed plan of allocation and distribution of settlement proceeds, if one is submitted; and
- f. whether entry of a final judgment terminating this litigation with respect to CMC should be entered.

The Fairness Hearing may be rescheduled or continued; in this event, the Court will furnish all counsel with appropriate notice. Class Counsel shall be responsible for communicating any such notice promptly to the Settlement Class by posting conspicuous notice on the settlement website.

7. Class Counsel and the Settlement Administrator shall provide notice to the Settlement Class substantially in accordance with the forms and schedule set forth in the Notice Plan.

8. Any request for exclusion from the Settlement Class must be delivered to the Settlement Administrator on or before _____, 2014. All requests for exclusion must be in writing and include: (i) the Settlement Class member's name, address and telephone number; (ii) a request to opt out of the Settlement; (iii) the case name and number: *In re Steel Antitrust Litigation*, Case No. 08-cv-5214, United States District Court for the Northern District of Illinois, Eastern Division (Judge Zagel); and (iv) a statement certifying membership in the Settlement Class;

9. Any Objection to the Settlement or Class Counsel's expense petition shall be filed in this Court (directed to the Clerk of the United States District Court for the Northern District of Illinois, Eastern Division, Everett McKinley Dirksen United States Courthouse, 219 South Dearborn Street, Chicago, IL 60604), and served via U.S. Mail on the following counsel, on or before _____, 2014:

CHRISTINE C. LEVIN
DECHERT LLP
Cira Centre
2929 Arch Street
Philadelphia, PA 19104

JEFFREY S. ISTVAN
FINE, KAPLAN AND BLACK, R.P.C.
One South Broad Street, 23rd Fl.
Philadelphia, PA 19107

Any such Objection shall include a Summary Statement outlining the position(s) to be asserted and the grounds therefore together with copies of any supporting papers or briefs.

10. Any Settlement Class member who wishes to appear in person and be heard at the Fairness Hearing must file a Notice of Intention to Appear on or before _____, 2014.

11. All persons and entities who fail to file an Objection and/or Notice of Intention to Appear as well as a Summary Statement as provided above shall be deemed to have waived any objections and will not be heard at the Fairness Hearing.

12. Plaintiffs' motion for final settlement approval, an affidavit of compliance with the Notice Plan, any motions for attorneys' fees and/or reimbursement of expenses, and any proposed plan of allocation and distribution that Class Counsel wish to be considered at the Fairness Hearing, shall be filed within seven (7) days of the Fairness Hearing and shall be posted on the settlement website in accordance with the Notice Plan.

VII. Administrative Matters

13. The pendency of the proposed Settlement shall not affect the litigation schedule in this matter in any way; provided, however, that all deadlines as against Settling Defendant are suspended. In the event that the Settlement does not become final, the Parties to the Settlement will return to litigation of this Action as if the Settlement had never happened, with the Parties to the Settlement bound by all Orders of the Court regardless of the date of entry, and the Settlement Agreement, the Settlement, and all related proceedings shall, except as expressly provided to the contrary in the Settlement Agreement, become null and void, and shall have no further force and effect; Plaintiffs and the Settlement Class shall retain full rights to assert any

and all causes of action against CMC and any other released party, and CMC and any other released parties shall retain any and all defenses and counterclaims thereto.

14. Any capitalized terms not defined herein shall have the meaning ascribed to them in the Settlement Agreement.

SO ORDERED this ____ day of _____, 2014.

Honorable James B. Zagel
United States District Judge

EXHIBIT B

UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

STANDARD IRON WORKS, on behalf of
itself and all others similarly situated,

Plaintiffs,

v.

ARCELORMITTAL; ARCELORMITTAL
USA, INC.; UNITED STATES STEEL
CORPORATION; NUCOR
CORPORATION; GERDAU
AMERISTEEL CORPORATION; STEEL
DYNAMICS, INC.; AK STEEL HOLDING
CORPORATION; SSAB SWEDISH
STEEL CORPORATION; COMMERCIAL
METALS, INC.,

Defendants.

Case No. 08 C 5214

Judge James B. Zagel

**[PROPOSED] ORDER AND JUDGMENT APPROVING SETTLEMENT AND
DISMISSING WITH PREJUDICE COMMERCIAL METALS COMPANY¹, AND
ORDER AWARDING ATTORNEYS' FEES AND/OR REIMBURSEMENT OF
EXPENSES**

The Court, having considered (a) **[final approval motion]**; (b) **[brief in support of motion]**; (c) **[declarations, if any, in support of motion]**; (d) **[motion for fees, if any, and for reimbursement of expenses]**; (e) **[brief in support of fee/expense motion]**; (f) **[declarations, if any, in support of fee/expense motion]**; (g) any and all comments and objections from members of the Settlement Class; and (h) any responses thereto; and having held a hearing on _____, 2014 and considered all of the submissions and arguments with respect thereto, pursuant to Rules 23 and 54 of the Federal Rules of Civil Procedure, and in accordance

¹ Commercial Metals Company is improperly named as "Commercial Metals, Inc." in the caption of the Complaint but is otherwise correctly named in the body of the Complaint.

with the terms of the Settlement Agreement between Plaintiffs and Commercial Metals Company (“CMC” or “Settling Defendant”), it is hereby ORDERED, ADJUDGED AND DECREED that the Motions are GRANTED as follows:

1. The Court has personal jurisdiction over all Settlement Class members and has subject matter jurisdiction over this Action, including, without limitation, jurisdiction to approve and enforce the Settlement Agreement, to grant final certification to the Settlement Class for settlement purposes, and to dismiss the Action with prejudice as to CMC.

2. Based on the record before the Court, including the Order Preliminarily Approving Settlement with Commercial Metals Company and Authorizing Dissemination of Notice (“Preliminary Approval Order”), the submissions in support of the Settlement, and any objections and responses thereto, the Court finds that all requirements of Fed. R. Civ. P. 23(a) and (b)(3) have been satisfied, and hereby certifies for settlement purposes the following Settlement Class:

All persons (excluding Defendants, their present and former parents, subsidiaries, affiliates, joint ventures, co-conspirators and government entities) who Purchased Steel Products directly from any of the defendants in *Standard Iron Works v. ArcelorMittal et al.*, Case No. 08-C-5214, or their subsidiaries or controlled affiliates at any time between April 1, 2005 and December 31, 2007 (“the Settlement Class Period”) for delivery in the United States.

For purposes of the class definition, the terms “Steel Products” and “Purchased” are more specifically defined as follows:

“Steel Products” are defined as products derived from raw carbon steel and sold directly by any of the Defendants or their subsidiaries or controlled affiliates in the United States, including all carbon steel slabs, plates, sheet and coil products, galvanized and other coated sheet products; billets, blooms, rebar, merchant bar, beams and other structural shapes; and all other steel products derived from raw carbon steel and sold by Defendants except as specifically excluded below.

“Steel Products” specifically exclude the following product categories: stainless steel; grain-oriented electrical steel; tin mill products; clad plate (i.e., nickel, stainless or copper clad plate); steel pipe and other tubular products; “special bar quality” products; wire rod and other wire products; grinding balls; fabricated rebar products; fabricated steel joist,

decking, fence posts and other fabricated building products; welded steel blanks; and steel products purchased under toll processing agreements.

The term “Purchased” includes all transactions for which pricing was negotiated during the class period and delivery was received during the class period. The class definition also includes transactions for which a sales contract was negotiated before the class period but (i) delivery was received during the class period and (ii) the actual transaction price under the contract was adjusted (or indexed) based on market pricing that prevailed during the class period.

See Settlement Agreement ¶ 1. The Settlement Class excludes the Settlement Class members listed on the attached **[exhibit listing opt-outs]**.

3. The Court finds that the requirements of Rule 23 are satisfied for settlement purposes, as follows:

- a. Pursuant to Rule 23(a)(1), the Court determines that the Settlement Class members are ascertainable from the reasonably accessible records available to Plaintiffs’ Counsel and Defendants and that Settlement Class members are so numerous that their joinder before the Court would be impracticable.
- b. Pursuant to Fed. R. Civ. P. 23(a)(2) and 23(c)(1)(B), the Court determines that Plaintiffs have alleged one or more questions of fact or law common to the Settlement Class, including whether Defendants violated federal antitrust law by allegedly engaging in coordinated production cuts in order to raise, maintain or stabilize prices above competitive levels with respect to certain steel products.
- c. Pursuant to Rule 23(a)(3), the Court determines that the Plaintiffs’ claims are typical of the claims of the proposed Settlement Class. Plaintiffs allege on behalf of the Settlement Class the same manner of injury from the same course of conduct that they complain of themselves, and Plaintiffs assert on their own behalf the same legal theory that they assert for the Settlement Class;

- d. Pursuant to Rule 23(a)(4), the Court determines that Plaintiffs will fairly and adequately protect the interests of the Settlement Class. Plaintiffs' interests do not conflict with the interests of absent members of the Settlement Class. All of the Settlement Class members share a common interest in proving Defendants' alleged anticompetitive conduct, and all Settlement Class members share a common interest in recovering the overcharge damages sought in the Complaints. Moreover, any Settlement Class member that wishes to opt out has been given an opportunity to do so. Furthermore, Plaintiffs have demonstrated the ability and incentive to represent the Settlement Class in this case, given the vigor with which they have prosecuted this action.
- e. Pursuant to Rule 23(b)(3), the Court determines that, in connection with and in light of the proposed Settlement, common questions of law and fact predominate over questions affecting only individual members. In light of the class-wide claims, issues, and defenses involved, the issues in this action that are subject to generalized proof, and thus applicable to the Settlement Class as a whole, predominate over those issues that are subject only to individualized proof.
- f. Also pursuant to Rule 23(b)(3), the Court determines that, in connection with and in light of the proposed Settlement, a class action is superior to other available methods for the fair and efficient adjudication of this action. The Court believes it is desirable, for purposes of judicial and litigation efficiency, to concentrate the claims of the Settlement Class in a single action. The Court also believes that the class is manageable, particularly in light of the Settlement approved in this Order.

4. In accord with the above findings, named Plaintiffs Standard Iron Works, Wilmington Steel Processing Co., Inc., Capow, Inc. d/b/a Eastern States Steel, Alco Industries, Inc., and Gulf Stream Builders Supply, Inc., (collectively, “Plaintiffs”), are hereby appointed as representatives of the Settlement Class.

5. Pursuant to Fed. R. Civ. P. 23(c)(1)(B) and 23(g), the Court having considered the factors provided in Rule 23(g)(1)(A), the following counsel (whom this Court previously appointed as interim Co-Lead Counsel for the Class) are hereby appointed as Co-Lead Counsel for the Settlement Class (“Settlement Class Counsel”):

KELLOGG, HUBER, HANSEN, TODD,
EVANS, & FIGEL, P.L.L.C.
Sumner Square
1615 M Street, N.W., Suite 400
Washington, DC 20036

FINE, KAPLAN AND BLACK, R.P.C.
One South Broad St., 23rd Fl.
Philadelphia, PA 19107

6. In accordance with the Preliminary Approval Order, notice of the proposed Settlement has been provided to the Settlement Class in the manner directed by the Court. *See* **[declaration of claims administrator or notice publisher]**. Such notice to Settlement Class members is hereby determined to be fully in compliance with the requirements of Fed. R. Civ. P. 23(e) and due process of law and is found to be the best notice practicable under the circumstances and to constitute due and sufficient notice to all persons and entities entitled thereto.

7. This Order shall have no force or effect on the persons or entities, if any, who have validly and timely requested exclusion from the Settlement Class. The only persons or entities that have requested exclusion from the Settlement Class are those listed on **[exhibit listing opt-outs]**.

8. Due and adequate notice of the proceedings having been given to the Settlement Class and a full opportunity having been offered to the Settlement Class to participate in the Fairness Hearing, it is hereby determined that all Settlement Class members, except those who have validly and timely requested exclusion from the Settlement Class, on behalf of themselves and their respective past, present, direct and indirect parents, subsidiaries, affiliates, predecessors and successors, and the past and present officers, directors, employees, agents, insurers, attorneys, shareholders, joint ventures, partners, and representatives, as well as the predecessors, successors, heirs, executors, administrators, and assigns of each of the foregoing (“Releasors”) have fully, finally, and forever released and discharged Settling Defendant, its past and present, direct and indirect parents, subsidiaries, affiliates, predecessors and successors, and the past and present officers, directors, employees, agents, insurers, attorneys, shareholders, joint ventures, partners, and representatives, as well as the predecessors, successors, heirs, executors, administrators, and assigns of each of the foregoing (“Released Parties”) from all claims, actions, causes of action, lawsuits, damages, liabilities, costs, expenses, whether class or individual in nature, whether known or unknown, foreseen or unforeseen, existing in the past, existing in the present or arising in the future, that were or could have been alleged in this Action (“Released Claims”). Each Releasor shall not, hereafter, seek to establish liability against any Released Party based in whole or in part on any Released Claims.

In addition, each Releasor has waived and released any and all provisions, rights, or benefits conferred by section 1542 of the California Civil Code, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor;

and any law of any state or territory of the United States, or principle of common law, which is similar, comparable or equivalent to section 1542 of the California Civil Code. Each Releasor may hereafter discover facts other than or different from those which he, she or it knows or believes to be true with respect to the Released Claims. Nevertheless, each Releasor has waived and fully, finally and forever settled and released, the Released Claims, whether any Released Claim is known or unknown, suspected or unsuspected, contingent or non-contingent, concealed or hidden, without regard to the subsequent discovery or existence of such different or additional facts. Each Releasor further has waived and relinquished any and all rights and benefits existing under any law or principle of law in any jurisdiction that would limit or restrict the effect or scope of the provisions of the release set forth above without regard to the subsequent discovery or existence of other or different facts.

The Releases set forth herein shall not release any claims, whether pending or not, whether known or unknown, for product liability, personal injury, breach of warranty, breach of contract, nor shall they release claims under the Uniform Commercial Code or any other claims whatsoever that are not related to the subject matter of the Complaint.

9. Pursuant to Rule 23(e) of the Federal Rules of Civil Procedure, the Court hereby grants final approval of the settlement on the basis that the settlement is fair, reasonable, and adequate as to, and in the best interests of, all Settlement Class members and is in compliance with all applicable requirements of the Federal Rules of Civil Procedure. In reaching this conclusion, the Court is satisfied that the settlement was fairly and honestly negotiated, as it was the result of vigorous arm's length negotiations undertaken in good faith by counsel with significant experience litigating antitrust class actions, and that serious questions of law and fact exist such that the value of an immediate recovery outweighs the mere possibility of future relief after protracted and expensive

litigation. The Court gives weight to the parties' judgment that the settlement is fair and reasonable, as well as to the Settlement Class members' reaction to the settlement.

10. **[To be included if attorneys' fees are requested.]** Settlement Class Counsel has moved for an award of attorneys' fees. See **[fee petition, if any]** and **[declaration in support, if any]**. After appropriate notice to the Settlement Class of the motion for attorneys' fees, and upon consideration of the motion and all related submissions and argument, and the response of the Settlement Class thereto; now therefore pursuant to Rules 23(h)(3) and 54(d) of the Federal Rules of Civil Procedure, this Court awards Settlement Class Counsel \$_____ **[or ____ % of the Settlement Fund]** as attorneys' fees, which this Court finds to be within the applicable range of reasonable percentage-of-the-fund awards. Settlement Co-Lead Counsel at their sole discretion shall allocate the fees and expenses among all of the Class Counsel. The fee award is supported, *inter alia*, by the following findings of fact and conclusions of law: the Settlement confers a monetary benefit on the Class that is substantial, both in absolute terms and when assessed in light of the risks of establishing liability and damages in this case; Class Counsel have effectively and efficiently prosecuted this difficult and complex action on behalf of the members of the Class for several years, reasonably expending many thousands of hours, with no guarantee they would be compensated; the Settlement achieved for the benefit of the Class was obtained as a direct result of Class Counsel's skillful advocacy; and the Settlement was reached following negotiations held in good-faith and in the absence of collusion.

11. Settlement Class Counsel has moved for reimbursement of litigation expenses out of the Settlement Fund. After appropriate notice to the Settlement Class of the motion for reimbursement of litigation expenses, and upon consideration of the motion and all related submissions and argument, and the response of the Settlement Class thereto; now therefore pursuant to Rules 23(h)(3) and 54(d) of the Federal Rules of Civil Procedure, this Court awards

Settlement Class Counsel \$_____ out of the Settlement Fund to reimburse them for expenses incurred in the prosecution of this lawsuit, which expenses the Court finds to be fair and reasonably incurred to achieve the benefits to the Settlement Class obtained in the Settlement, as well as the continued litigation of this Action against non-settling Defendants.

12. By separate Order, the Court will consider any proposed plan of allocation and distribution of the Settlement Fund submitted by Settlement Class Counsel.

13. The court finds that the Settlement Fund is a “qualified settlement fund” as defined in section 1.468B-1(c) of the Treasury Regulations in that it satisfies each of the following requirements:

- a. The Settlement Fund is established pursuant to an order of this Court and is subject to the continuing jurisdiction of this Court;
- b. The Settlement Fund is established to resolve or satisfy one or more claims that have resulted or may result from an event that has occurred and that has given rise to at least one claim asserting liabilities; and
- c. The assets of the Settlement Fund are segregated from other assets of CMC, the transferor of payments to the Settlement Fund.

14. Under the “relation-back” rule provided under section 1.468B-1(j)(2)(i) of the Treasury Regulations, the Court finds that

- a. The Settlement Fund met the requirements of paragraphs 13 (a) and (b) of this Order prior to the date of this Order approving the establishment of the Settlement Fund subject to the continued jurisdiction of this Court; and
- b. CMC and the Claims Administrator may jointly elect to treat the Settlement fund as coming into existence as a “qualified settlement fund” on the later of the date the Settlement fund met the requirements of paragraphs 13(a) and (b) of this Order or

January 1 of the calendar year in which all of the requirements of paragraph 13 of this Order are met. If such a relation-back election is made, the assets held by the Settlement Fund on such date shall be treated as having been transferred to the Settlement Fund on that date.

15. This Order and the Settlement Agreement do not settle or compromise any claims by Plaintiffs or Settlement Class members against any party other than the Released Parties as defined in the Release. All rights of any Settlement Class member against any person or entity other than CMC and other Released Parties for sales made by CMC are specifically reserved by Plaintiffs and the Settlement Class members. CMC's sales of Steel Products in the United States shall remain the subject of damages and/or joint and several liability claims in the Action against defendants other than CMC, and/or against any future defendants other than CMC and the other Released Parties.

16. The Settlement Agreement and/or any act performed or document executed pursuant to the Settlement Agreement is not, may not be deemed, and may not be used in this Action or any other civil, criminal or administrative proceeding as evidence of, an admission of liability or wrongdoing on the part of any person or entity, including but not limited to Settling Defendant and other Released Parties.

17. Without affecting the finality of this Order, the Court retains exclusive jurisdiction over: (a) the enforcement of this Order; (b) the litigation between Plaintiffs and defendants other than Settling Defendant; (c) the administration and enforcement of the Settlement Agreement; and (d) the administration and distribution of the Settlement Fund.

18. In the event the Settlement does not become Final in accordance with the Settlement Agreement, this Order and Final Judgment shall be rendered null and void as provided by the Settlement Agreement, shall be vacated, and all orders entered and releases

delivered in connection herewith shall be null and void to the extent provided by and in accordance with the Settlement Agreement.

19. The Court hereby directs that this judgment be entered by the clerk forthwith pursuant to Federal Rule of Civil Procedure 54(b). The direction of the entry of final judgment pursuant to Rule 54(b) is appropriate and proper because this judgment fully and finally adjudicates the claims of the Plaintiffs and the Settlement Class against the Settling Defendant in this Action, allows consummation of the Settlement, and will expedite the reimbursement of expenses from the Settlement Fund. In accordance with the terms of the Settlement Agreement, this Order is final and appealable.

20. Terms Capitalized in this Order and not defined herein have the same meaning as those used in the Settlement Agreement.

SO ORDERED this the ____ day of _____, 2014.

Honorable James B. Zagel
United States District Judge

EXHIBIT 2

UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

STANDARD IRON WORKS, on behalf of
itself and all others similarly situated,

Plaintiffs,

v.

ARCELORMITTAL; ARCELORMITTAL
USA, INC.; UNITED STATES STEEL
CORPORATION; NUCOR
CORPORATION; GERDAU
AMERISTEEL CORPORATION; STEEL
DYNAMICS, INC.; AK STEEL HOLDING
CORPORATION; SSAB SWEDISH
STEEL CORPORATION; COMMERCIAL
METALS, INC.,

Defendants.

Case No. 08 C 5214

Judge James B. Zagel

SETTLEMENT AGREEMENT

This Settlement Agreement is made and entered into as of the 1 day of April, 2014, by AK Steel Holding Corporation ("AK" or "Settling Defendant") and Standard Iron Works, Wilmington Steel Processing Co., Inc., Capow, Inc. d/b/a Eastern States Steel, Alco Industries, Inc., and Gulf Stream Builders Supply, Inc., in their individual capacities and in their capacity as representatives of a proposed Settlement Class, as defined herein ("Plaintiffs") (collectively referred to as "the Parties"):

WHEREAS, there is pending in the United States District Court for the Northern District of Illinois, Eastern Division, a Class Action Complaint for Damages captioned *Standard Iron Works v. ArcelorMittal, et al.*, Case No. 08-C-5214, that was filed on September 12, 2008

(“Complaint”) and consolidated with several related cases,¹ in which Plaintiffs allege that defendants unlawfully agreed to restrict the output of steel products in the United States, in violation of the Sherman Act (the “Action”);

WHEREAS, Settling Defendant denies any and all wrongdoing in connection with the claims that have or could have been alleged against it in the Action and has asserted a number of defenses to Plaintiffs’ claims;

WHEREAS, Settling Defendant, through its counsel, and Plaintiffs, through their counsel, have engaged in vigorous, arms-length negotiations that led to this Settlement Agreement, which embodies all of the terms and conditions of the settlement among the Parties, subject to approval of this Settlement Agreement by the Court;

WHEREAS, Plaintiffs are represented in the Action by Kellogg, Huber, Hansen, Todd, Evans & Figel, P.L.L.C., and Fine, Kaplan and Black, R.P.C. (collectively, “Interim Co-Lead Class Counsel”), along with other counsel (collectively with Interim Co-Lead Class Counsel, “Plaintiffs’ Counsel”), and Settling Defendant is represented in the Action by Cadwalader, Wickersham & Taft LLP (“Defendant’s Counsel”);

WHEREAS, Plaintiffs’ Counsel have concluded, despite their belief after extensive discovery and investigation of the facts that their claims have merit, after carefully considering the circumstances of the case, including the claims asserted in the Complaint and the possible legal and factual defenses thereto, that it would be in the best interests of the Settlement Class to enter into this Settlement Agreement in order to avoid the uncertainties of litigation and assure

¹ Putative class representatives filed seven direct purchaser class actions in this Court, which have been consolidated in this action: Standard Iron Works v. ArcelorMittal et al., No. 08 C 5214; Wilmington Steel Processing Co., Inc. v. ArcelorMittal et al., No. 08 C 5371; Capow, Inc. v. ArcelorMittal et al., No. 08 C 5633; MPM Display, Inc. v. ArcelorMittal et al., No. 08 C 5700; REM Sys., Inc. v. ArcelorMittal et al., No. 08 C 5942; Alco Indus. Inc. v. ArcelorMittal, et al., No. 08 C 06197, and Gulf Stream Builders Supply, Inc. v. ArcelorMittal, et al, No. 10-cv-4263. The MPM Display and REM Systems cases were voluntarily dismissed.

that the benefits reflected herein are obtained for the Settlement Class and, further, that Plaintiffs' Counsel consider the settlement set forth herein to be fair, reasonable and adequate and in the best interests of the Plaintiffs and all members of the Settlement Class;

WHEREAS, Settling Defendant, despite its belief, after extensive discovery and investigation of the facts, that the claims lack merit and that it has full and complete defenses to the claims asserted against it, has agreed to enter into this Settlement Agreement to avoid further expense, inconvenience, and distraction of burdensome and protracted litigation, and to thereby put to rest with finality this controversy with Plaintiffs and the Settlement Class Members;

WHEREAS, Settling Defendant and Plaintiffs have had a full opportunity to examine the facts and circumstances surrounding their respective decisions to accept the terms of the Settlement Agreement and have not relied on any representations (or the lack thereof) made by any other party concerning the circumstances leading to this Settlement Agreement;

NOW, THEREFORE, it is agreed between Settling Defendant and Plaintiffs, and by and through Plaintiffs' Counsel and Defendant's Counsel, in consideration for the mutual covenants contained in this Settlement Agreement and other good and valuable consideration the adequacy of which is hereby acknowledged, that the Action against Settling Defendant be settled, compromised and dismissed on the merits and with prejudice and, except as hereafter provided, without costs as to Plaintiffs or Settling Defendant, subject to the approval of the Court, on the following terms and conditions:

1. **Settlement Class.** The proposed Settlement Class shall consist of:

All persons (excluding Defendants, their present and former parents, subsidiaries, affiliates, joint ventures, co-conspirators and government entities) who Purchased Steel Products directly from any of the defendants in *Standard Iron Works v. ArcelorMittal et al.*, Case No. 08-C-5214, or their subsidiaries or controlled affiliates at any time between April 1, 2005 and December 31,

2007 ("the Settlement Class Period") for delivery in the United States.

For purposes of the class definition, the terms "Steel Products" and "Purchased" are more specifically defined as follows:

"Steel Products" are defined as products derived from raw carbon steel and sold directly by any of the Defendants or their subsidiaries or controlled affiliates in the United States, including all carbon steel slabs, plates, sheet and coil products, galvanized and other coated sheet products; billets, blooms, rebar, merchant bar, beams and other structural shapes; and all other steel products derived from raw carbon steel and sold by Defendants except as specifically excluded below.

"Steel Products" specifically exclude the following product categories: stainless steel; grain-oriented electrical steel; tin mill products; clad plate (i.e., nickel, stainless or copper clad plate); steel pipe and other tubular products; "special bar quality" products; wire rod and other wire products; grinding balls; fabricated rebar products; fabricated steel joist, decking, fence posts and other fabricated building products; welded steel blanks; and steel products purchased under toll processing agreements.

The term "Purchased" includes all transactions for which pricing was negotiated during the class period and delivery was received during the class period. The class definition also includes transactions for which a sales contract was negotiated before the class period but (i) delivery was received during the class period and (ii) the actual transaction price under the contract was adjusted (or indexed) based on market pricing that prevailed during the class period.

2. Reasonable Best Efforts to Effectuate This Settlement Agreement. The Parties shall undertake their reasonable best efforts, including all steps and efforts contemplated by this Settlement Agreement and any other steps and efforts that may be necessary or appropriate, by order of the Court or otherwise, to carry out the terms of this Settlement Agreement.

3. Motion for Preliminary Approval. As soon as practicable following the execution of this Settlement Agreement, Plaintiffs' Counsel shall submit to the Court a motion,

which shall not be opposed by Settling Defendant, seeking entry of an order in substantially the form annexed hereto as Exhibit A ("Preliminary Approval Order") preliminarily approving the Settlement, certifying the Settlement Class solely for the purposes of this Settlement, and suspending all deadlines as against Settling Defendant until the court renders a final decision concerning the approval of the Settlement Agreement, and if it approves the Settlement Agreement, enters the final judgment.

4. Notice to Settlement Class. Upon entry of the Preliminary Approval Order, Plaintiffs' Counsel shall, in accordance with the Preliminary Approval Order, provide notice of the proposed settlement to members of the Settlement Class. Prior to submission of the proposed Notice and Notice Plan to the Court, Plaintiffs' Counsel will provide a draft Notice and Notice Plan to Settling Defendant for its comments and approval. Plaintiffs' Counsel will, in good faith, consider Settling Defendant's comments, and Settling Defendant will not unreasonably withhold its approval of the Notice and Notice Plan. The Notice and Notice Plan will be reasonably calculated to apprise Settlement Class Members of the pendency of the Action, the Settlement Agreement, and their opportunity to be heard in connection therewith. As set forth in the Preliminary Approval Order, Notice will be given (i) by direct mail to Settlement Class Members who can be identified through reasonable efforts, and if necessary (ii) by publication to all Settlement Class Members in selected media as set forth in the Preliminary Approval Order. Settlement Class Members shall have the right to exclude themselves from the Settlement Class pursuant to the procedure set forth in the Notice. Within ten (10) days of the conclusion of the period in which Settlement Class Members may file a written request for exclusion, Class Counsel shall deliver to Defendant's Counsel all such requests received. Each Settlement Class Member that does not file a timely written request for exclusion in accordance with the

procedures set forth in the Notice shall be bound by all of the terms of this Settlement Agreement, including the Release defined in Paragraph 12. Settlement Class Members also shall have the right to object to the fairness, reasonableness or adequacy of the Settlement or any part thereof, in accordance with the terms and conditions set forth in the Notice and the Preliminary Approval Order.

5. **Motion for Final Approval and Entry of Final Judgment.** At a final fairness hearing, Plaintiffs' Counsel shall seek entry of an order and final judgment in the form attached hereto as Exhibit B (the "Final Order and Judgment") finally approving the Settlement Agreement. Plaintiffs' Counsel may, at their sole discretion, also request from the Court an award of attorneys' fees and/or reimbursement of litigation expenses to be paid out of the Settlement Fund pursuant to paragraph 10 below. Settling Defendant will not oppose Plaintiffs' request for final approval of the Settlement, and Settling Defendant will not oppose Plaintiffs' Counsel's request for an award of attorneys' fees and/or reimbursement of litigation expenses.

6. **Finality.** This Settlement Agreement shall become Final upon the occurrence of all of the following:

- a. Entry, as provided in Paragraph 5 above, is made of the Final Order and Judgment; and
- b. The time for appeal or to seek permission to appeal from the Final Order and Judgment expires, or if appealed, either; (i) such appeal is dismissed with prejudice prior to resolution by the applicable court; (ii) the Final Order and Judgment is affirmed in its entirety by the court of last resort to which such appeal may be taken; or (iii) the Final Order and Judgment is modified and finally entered and neither Settling Defendant nor Plaintiffs elects to terminate the Settlement pursuant to paragraph 14 below.

7. **Settlement Administrator.** Pursuant to the Preliminary Approval Order, Plaintiffs' Counsel shall engage a qualified settlement administrator (the "Settlement Administrator") to assist with the settlement claims process, if any, and perform certain ministerial functions concerning the Escrow Account as set forth in Paragraphs 9 and 10. Court-approved costs and expenses reasonably and actually incurred by the Settlement Administrator in connection with providing notice to the Settlement Class, communicating with Settlement Class Members, and, if applicable, administering and distributing the Settlement Fund ("Notice and Administration Costs") shall be paid solely from the Settlement Fund, as defined in Paragraph 10(b). Notice and Administration Costs shall not include any amounts attributable to the Expense Amount as defined in Paragraph 10(c).

8. **The Settlement Fund.** Subject to the provisions hereof, and in full, complete, and final settlement of this matter as provided herein, payment of the "Settlement Amount" of five million, eight hundred thousand U.S. dollars (\$5,800,000) should be made in two parts comprising the First Payment and Final Payment as described below. First, within ten (10) business days after entry of the Preliminary Approval Order, Settling Defendant shall pay by wire transfer two million, thirty thousand U.S. dollars (\$2,030,000.00) (the "First Payment") into a new and separate escrow account ("Escrow Account") established and administered pursuant to an escrow agreement agreeable to the Parties ("Escrow Agreement"). Second, within ten (10) business days after this Settlement Agreement has become Final pursuant to paragraph 6, above, Settling Defendant shall pay by wire transfer an additional three million, seven hundred and seventy thousand U.S. dollars (\$3,770,000.00) (the "Final Payment") into the Escrow Account. Settling Defendant shall have no payment obligation after the payment of the Settlement Amount. The Escrow Account shall be administered by an escrow agent mutually satisfactory to

Settling Defendant and Plaintiffs' Counsel (the "Escrow Agent"). In accordance with the Escrow Agreement, the Escrow Agent shall be instructed to invest all payments that comprise the Settlement Amount in United States Treasury Bills, United States Treasury Notes, or other instruments insured or guaranteed by the full faith and credit of the United States, and any interest earned on the payments that comprise the Settlement Amount (together with the Settlement Amount) shall become part of the "Settlement Fund." The Attorneys' Fees, Expense Amount, Notice and Administration Costs, Tax Expenses and any other costs of implementing the settlement as the Court may determine shall be paid solely from the Settlement Fund. The Settlement Fund shall be paid and distributed in accordance with orders of the Court, this Settlement Agreement and the Escrow Agreement. Subject to the provisions hereof, Settling Defendant shall take no position, and shall have no obligation, responsibility or liability with respect to the management, allocation, administration or distribution of the Settlement Fund.

9. Escrow Account.

a. The Parties agree to treat the Escrow Account and the Settlement Fund at all times as a single "qualified settlement fund" within the meaning of Treas. Reg. Section 1.468B-1. All necessary steps shall be taken to ensure that the Escrow Account and Settlement Fund are treated as a "qualified settlement fund" in accordance with Treasury Regulation 1.468B-1. The Parties and their respective agents shall not take any action that would adversely affect the qualification of the Escrow Account and the Settlement Fund as a qualified settlement fund or would cause the Escrow Account and the Settlement Fund to be treated as a grantor trust for tax purposes. At the request of Settling Defendant, a "relation back election" as described in Treas. Reg. §1.468B-1(j) shall be made so as to enable the Settlement Fund to be treated as a

qualified settlement fund from the earliest date possible and all parties shall take all steps necessary or appropriate to this end.

b. For the purposes of Section 468B of the Internal Revenue Code of 1986, and Treas. Reg. Section 1.468B-2(k)(3), the “administrator” shall be the Settlement Administrator. The Parties agree that the Settlement Administrator shall be engaged to timely and properly file all informational and other tax returns necessary or advisable with respect to the Escrow Account (including without limitation the returns described in Treas. Reg. Section 1.468B-2(k)(1) and Treas. Reg. Section 1.468B2(l)). Such returns shall be consistent with this subparagraph (b) and in all events shall reflect that all taxes (including any estimated taxes, interest or penalties) on the income earned by the Escrow Account shall be paid out of the Escrow Account as provided in subparagraph (c) herein.

c. All taxes (including any estimated taxes, interest or penalties) arising with respect to the income earned on the Settlement Fund by the Escrow Account (“Taxes”) shall be paid out of the Escrow Account upon joint written instructions from Plaintiffs’ Counsel and Defendant’s Counsel. All expenses and costs incurred by the Settlement Administrator in connection with the operation and implementation of this paragraph (including, without limitation, reasonable expenses of tax attorneys and/or accountants and mailing and distribution costs, expenses or penalties relating to filing (or failing to file) the returns described in this paragraph) (“Tax Expenses”) shall be treated as, and considered to be, an Administration Cost of the settlement and the Settlement Administrator shall be engaged to timely (i) cause all required tax returns to be timely filed and (ii) request that Plaintiffs’ Counsel and Settling Defendant consent to or that the Court order that the Escrow Agent timely pay Tax Expenses out of the Escrow Account in accordance with Paragraph 10(b). The Settlement Administrator shall be

obligated (notwithstanding anything herein to the contrary) to withhold from distribution any funds necessary to pay Taxes and Tax Expenses.

10. Distribution of the Settlement Fund. The Parties agree that the Settlement Fund shall be paid out as follows:

- a. Taxes shall be paid in accordance with paragraph 9 above.
- b. After entry of an order approving such distribution, the Settlement Administrator shall be paid Notice and Administration Costs and Tax Expenses.
- c. After (i) entry of any order awarding attorneys' fees to Plaintiffs' Counsel ("Attorneys' Fees") and/or reimbursement of litigation expenses, e.g., expert fees, hearing and deposition expenses, e-discovery expenses, travel expenses, etc., to Plaintiffs' Counsel (the "Expense Amount"), (ii) within five (5) banking days following written certification by Plaintiffs' Counsel and counsel for Settling Defendant that the Effective Date (as defined in paragraph 11 below) has occurred, and (iii) provision by Plaintiffs' Counsel of an acceptable letter of credit in favor of AK in the amount of such Attorneys' Fees and Expense Amount payable upon termination of the settlement consistent with the provisions of paragraph 15 (the "Letter of Credit"), the Attorneys' Fees and/or Expense Amount, or \$2.03 million, whichever is less, shall be paid in accordance with the written instructions of Plaintiffs' Counsel.
- d. After entry of an order awarding Attorneys' Fees and/or an Expense Amount, and within five (5) banking days after receipt of written notification by Plaintiffs' Counsel and Defendant's Counsel that the Settlement Agreement has become Final (as defined in paragraph 6 above), any then-unpaid portion of the Attorneys' Fees and/or Expense Amount shall be paid in accordance with the written instructions of Plaintiffs' Counsel.

e. Within five (5) banking days following written certification by Plaintiffs' Counsel and counsel for Settling Defendant that the Effective Date will not occur, and in accordance with written instructions of Settling Defendant, that portion of the Settlement Fund, including accrued interest thereon, that remains after an allowance for any unpaid Notice and Administration Costs and Tax Expense shall be paid to Settling Defendant.

f. If funds remain in the Settlement Fund after payment of the amounts set forth in subparagraphs (a)-(d) above, then after (i) the Settlement Agreement is Final pursuant to paragraph 6 hereof; (ii) written certification by counsel for Settling Defendant and Plaintiffs' Counsel that the Settlement Agreement is Final pursuant to paragraph 6 hereof, and (iii) after receipt of an order of the Court approving distribution of the Settlement Fund to the Settlement Class, the remaining Settlement Funds shall be distributed as ordered by the Court; provided, however, that any amounts in the Escrow Account necessary for Tax Expenses shall remain in the Escrow Account.

g. Each Class member shall look solely to the Settlement Amount for settlement and satisfaction, as provided herein, of all claims released by the Releasors (as defined below). Other than payment of the Settlement Amount, Settling Defendant shall not be liable for any fees or expenses of Plaintiffs' Counsel, Plaintiffs, or any Settlement Class Member in connection with the Action or any Released Claims (as defined below). Plaintiffs' Counsel agree that they will not seek any additional fees or expenses from Settling Defendant in connection with the Action and the Settlement Agreement, set forth herein.

h. In the event that the Settlement Agreement is not terminated but the Court's order awarding the Expense Amount is vacated, in whole or in part, then by a date no later than thirty (30) days after finality of such an order (including any appeals or proceedings on

remand), Plaintiffs' Counsel, and each of them, shall return to the Settlement Fund, any vacated portion of the Attorneys' Fees and/or Expense Amount that has been distributed to them.

11. **Effective Date of Settlement Agreement.** The Effective Date of this Settlement Agreement shall be the first day after which all of the following events and conditions of this Settlement Agreement have been met or have occurred:

- a. Counsel for Settling Defendant and Plaintiffs' Counsel have executed this Settlement Agreement;
- b. The Preliminary Approval Order has been entered;
- c. The deadline for Settlement Class Members to request exclusion from the Settlement has passed; and
- d. The Court has entered the Final Order and Judgment approving the Settlement Agreement.

12. **Releases.**

a. Upon the Effective Date, all Settlement Class Members, on behalf of themselves and their respective past, present, direct and indirect parents, subsidiaries, affiliates, predecessors and successors, and the past and present officers, directors, employees, agents, insurers, attorneys, shareholders, joint ventures, partners, and representatives, as well as the predecessors, successors, heirs, executors, administrators, and assigns of each of the foregoing ("Releasers") shall be deemed to have, and by operation of the Final Order and Judgment, shall have, fully, finally, and forever released and discharged Settling Defendant, its past and present, direct and indirect parents, subsidiaries, affiliates, predecessors and successors, and the past and present officers, directors, employees, agents, insurers, attorneys, shareholders, joint ventures, partners, and representatives, as well as the predecessors, successors, heirs, executors,

administrators, and assigns of each of the foregoing ("Released Parties") from all claims, actions, causes of action, lawsuits, damages, liabilities, costs, expenses, whether class or individual in nature, whether known or unknown, foreseen or unforeseen, existing in the past, existing in the present or arising in the future, that were or could have been alleged in this Action, including without limitation all antitrust, consumer protection, unfair trade practices, and unjust enrichment claims ("Released Claims"). Each Releasor hereby covenants and agrees that it shall not, hereafter, seek to establish liability against any Released Party based in whole or in part on any Released Claims.

b. In addition, upon this Settlement Agreement becoming Final, each Releasor hereby expressly waives and releases, and agrees not to sue the Settling Defendant in reliance on any and all provisions, rights, or benefits conferred by section 1542 of the California Civil Code, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor;

and any law of any state or territory of the United States, or principle of common law, which is similar, comparable or equivalent to section 1542 of the California Civil Code. Each Settlement Class Member may hereafter discover facts other than or different from those which he, she or it knows or believes to be true with respect to the Released Claims. Nevertheless, each Settlement Class Member hereby expressly waives and fully, finally and forever settles and releases, upon this Settlement Agreement becoming Final, the Released Claims, whether any Released Claim is known or unknown, suspected or unsuspected, contingent or non-contingent, concealed or hidden, without regard to the subsequent discovery or existence of such different or additional facts. Each Releasor further forever waives and relinquishes any and all rights and benefits

existing under any law or principle of law in any jurisdiction that would limit or restrict the effect or scope of the provisions of the release set forth above without regard to the subsequent discovery or existence of other or different facts.

c. The Releases set forth herein shall not release any claims, whether pending or not, whether known or unknown, that are unrelated to the subject matter of the Complaint or the Released Claims.

13. Reservation of Claims. This Settlement Agreement does not settle or compromise any claims by Plaintiffs or any Settlement Class Member against any party other than the Released Parties. The Settlement Class Members intend by this Settlement Agreement to settle with and release only the Released Parties, and the Parties do not intend this Settlement Agreement, or any part hereof, to release or otherwise affect in any way any rights Settlement Class Members have or may have against any other party or entity whatsoever, including but not limited to non-settling Defendants ArcelorMittal, ArcelorMittal USA, Inc., United States Steel Corporation, Nucor Corporation, Steel Dynamics, Inc., and SSAB Swedish Steel Corporation, and their past and present, direct or indirect parents, subsidiaries, affiliates, predecessors or successors. All rights of any Settlement Class Member against non-settling Defendants or any other person or entity (other than the Released Parties) for sales made by Settling Defendant are specifically reserved by Plaintiffs and the Settlement Class Members. Sales of steel products by the Settling Defendant in the United States shall remain the subject of damages and/or joint and several liability claims in the Action against defendants other than Settling Defendant and/or against any future defendants other than the Released Parties.

14. Rights to Terminate Settlement. If the Court does not finally approve this Settlement Agreement in its entirety, or if such approval is materially modified or set aside

on appeal, or if the Court does not enter the Final Order and Judgment substantially in the form provided for in Exhibit B attached hereto, or if the Court enters the Final Order and Judgment and appellate review is sought and, on such review, such Final Order and Judgment is not affirmed or is affirmed with material modifications, then this Settlement Agreement may be terminated upon the election of Settling Defendant or Plaintiffs' Counsel. A modification or reversal on appeal of any amount of Attorneys' Fees or Expense Amounts awarded by the Court from the Settlement Fund or of a proposed plan of distribution shall not be deemed a material modification of all or a part of the terms of this Settlement Agreement or Final Order and shall not give rise to any right of termination. Except as provided in this paragraph, no Party or Counsel shall have any other right to terminate this Settlement Agreement.

15. Effect of Termination. If this Settlement Agreement is terminated pursuant to Paragraph 14, then (a) the Settlement Fund, net of (i) Tax Expenses, and (ii) Notice and Administration Costs, shall be returned to the Settling Defendant; (b) any Attorneys' Fees or Expense Amounts paid to Plaintiffs' Counsel shall be paid by them to Settling Defendant and if not paid within 10 business days of termination they shall be paid to Settling Defendant pursuant to the terms of the Letter of Credit; (c) the Settlement Agreement shall be of no force or effect, except for payment of Tax Expenses and Notice and Administration Costs from the Settlement Fund; (d) any Release pursuant to paragraph 12 shall be of no force or effect; and (e) the Parties will return to litigation of this Action as if the Settlement had never happened, with all Parties bound by all Orders of the Court regardless of the date of entry. The parties otherwise expressly reserve all of their rights if this Settlement Agreement is terminated or does not become Final.

16. No Admission; Reservation of Rights. Neither this Settlement Agreement, whether it becomes Final or not, nor any negotiations, documents, or discussions associated with

it, nor any proceedings undertaken in accordance with the terms set forth herein, shall be construed as or deemed to be evidence of or an admission or concession by Settling Defendant in any action or proceeding of any kind whatsoever, civil, criminal, or otherwise, before any court, administrative agency, regulatory body, or any other body or authority, present or future, of any violation of any statute or law, of any liability or wrongdoing by Settling Defendant, or of the truth or validity of any of the claims or allegations contained in the Complaint or any other pleading that Plaintiffs or the Settlement Class have or could have asserted against Settling Defendant including, without limitation, that Settling Defendant has engaged in any conduct or practice that violates any antitrust statute, or other law, regulation or obligation. Settling Defendant expressly denies any liability whatsoever for any and all such claims and allegations.

17. **Cooperation.** Once the Settlement Agreement becomes Final, Settling Defendant agrees to:

1. Cooperate with Plaintiffs to authenticate and qualify as business records, if applicable, up to fifty (50) of its documents that are identified by Plaintiffs as potential trial exhibits, either via written affidavit or, if required by the Court, by providing a custodian of records witness;
2. Produce non-privileged responsive documents that its attorneys have already collected and reviewed, but not produced;
3. Produce non-privileged documents in the following categories from custodians James Waincott, John Kaloski and Douglas Gant, to the extent that such documents exist and reflect contact or meetings with other defendants to the Action during the period January 1, 2004 until December 31, 2007:
 - a. Hand-written and electronic calendar entries;

- b. Expense reports;
 - c. Phone records;
 - d. Hand-written notes.
4. Make James Wainscott available to Plaintiffs for one (1) interview of three (3) hours (the "Wainscott Interview"), and accept service of a subpoena for one (1) deposition of Mr. Wainscott, provided that such deposition (i) takes place within three (3) years from the date of this Agreement (or the time for taking the deposition is extended by mutual agreement); (ii) is limited to putting into evidentiary form the substance of the Wainscott interview; and (iii) Plaintiffs' portion of the deposition shall be limited to three (3) hours;
5. Use all reasonable efforts for two (2) years from the date of this Agreement to assist Plaintiffs to locate and make available former AK employee Douglas Gant for one (1) interview of three (3) hours (the "Gant Interview"); and use all reasonable efforts (without calendar limitation) to make Mr. Gant available for one (1) deposition, provided that such deposition (i) takes place within three (3) years from the date of this Agreement (or the time for taking the deposition is extended by mutual agreement); (ii) is limited to putting into evidentiary form the substance of the Gant interview; and (iii) Plaintiffs' portion of the deposition shall be limited to three (3) hours;
6. Use all reasonable efforts for two (2) years from the date of this Agreement to assist Plaintiffs to locate and make available former AK employee John Kaloski for one (1) interview of three (3) hours (the "Kaloski Interview"); and use all reasonable efforts (without calendar limitation) to make Mr. Kaloski available for

one (1) deposition, provided that such deposition (i) takes place within three (3) years from the date of this Agreement (or the time for taking the deposition is extended by mutual agreement); (ii) is limited to putting into evidentiary form the substance of the Kaloski interview; and (iii) Plaintiffs' portion of the deposition shall be limited to three (3) hours.

18. Confidentiality. All orders entered during the course of the Action relating to the confidentiality of information shall survive this Settlement Agreement.

19. Consent to Jurisdiction. Settling Defendant, Plaintiffs, Defendant's Counsel, Plaintiffs' Counsel and Settlement Class Members hereby submit to the exclusive jurisdiction of the Court for the purpose of any suit, action, proceeding, or dispute seeking enforcement of this Settlement Agreement or any of the terms herein or the applicability of this Settlement Agreement, the Supplemental Letter, or the Escrow Account.

20. Resolution of Disputes: Retention of Jurisdiction. Any disputes between or among Settling Defendant, Plaintiffs, Plaintiffs' Counsel, Defendant's Counsel and any Settlement Class Member concerning matters contained in this Settlement Agreement, the Supplemental Letter, the Escrow Account and all related agreements and matters shall, if they cannot be resolved by negotiation and agreement, be submitted to the Court. The Court shall retain jurisdiction over the implementation and enforcement of this Settlement Agreement, the Supplemental Letter, the Escrow Account and all related agreements and matters.

21. Authorization to Enter Settlement Agreement. The undersigned representatives of Settling Defendant represent that they are fully authorized to enter into and to execute this Settlement Agreement on behalf of Settling Defendant. The undersigned representatives of Plaintiffs represent that they are fully authorized to enter into and to execute

this Settlement Agreement on behalf of Plaintiffs and the Settlement Class Members, subject to Court approval.

22. **No Party Is the Drafter.** None of the parties hereto shall be considered to be the drafter of this Settlement Agreement or any provision hereof for the purpose of any statute, case law, or rule of interpretation or construction that would or might cause any provision to be construed against the drafter hereof.

23. **Inconsistency Between the Settlement Agreement and Exhibits.** Any inconsistency between this Settlement Agreement and the exhibits attached hereto shall be resolved in favor of the Settlement Agreement.

24. **Choice of Law.** All terms of this Settlement Agreement shall be governed by and interpreted according to the substantive laws of the State of Illinois without regard to its choice-of-law or conflict-of-laws principles.

25. **Amendment; Waiver.** This Settlement Agreement shall not be modified in any respect except by a writing executed by all the parties hereto, and the waiver of any rights conferred hereunder shall be effective only if made by written instrument of the waiving party. The waiver by any party of any breach of this Settlement Agreement shall not be deemed or construed as a waiver of any other breach, whether prior, subsequent, or contemporaneous, of this Settlement Agreement.

26. **Execution in Counterparts.** This Settlement Agreement may be executed in counterparts. Facsimile or .pdf signatures shall be considered as valid signatures as of the date thereof.

27. **Integrated Agreement.** This Settlement Agreement, including the exhibits hereto and the Supplemental Letter, comprise the entire, complete, and integrated statement of each and every term and provision agreed to by and between the Parties.

28. **Construction.** This Settlement Agreement shall be construed and interpreted to effectuate the intent of the parties, which is to provide, through this Settlement Agreement, for a complete resolution of the Released Claims with respect to the Released Parties.

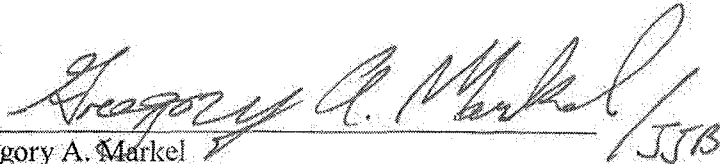
IN WITNESS WHEREOF, the parties hereto, through their fully authorized representatives, have executed this Settlement Agreement as of the date last executed.

Date: April 1, 2014

SETTLING DEFENDANT

AK Steel Holding Corporation

By:



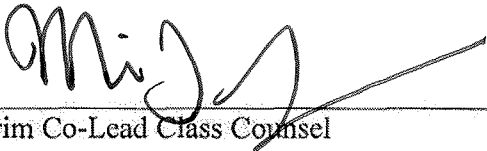
Gregory A. Markel
Cadwalader, Wickersham & Taft LLP
One World Financial Center
New York, NY 10281
Phone: 212-504-6112
Fax: 212-504-6666

Attorney for AK Steel Holding Corporation

PLAINTIFFS:

Standard Iron Works
Wilmington Steel Processing Co., Inc.
Capow, Inc. d/b/a Eastern States Steel
Alco Industries, Inc.
Gulf Stream Builders Supply, Inc.

By:



Interim Co-Lead Class Counsel

EXHIBIT A

UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

IN RE: STEEL ANTITRUST LITIGATION

**THIS DOCUMENT RELATES TO
ALL DIRECT PURCHASER ACTIONS:**

**Standard Iron Works v. ArcelorMittal, et al.,
Case No. 08-cv-5214**

**Wilmington Steel Processing Co., Inc. v.
ArcelorMittal, et al., Case No. 08-cv-5371**

**Capow, Inc. d/b/a Eastern States Steel v.
ArcelorMittal, et al., Case No. 08-cv-5633**

**Alco Industries, Inc. v. ArcelorMittal, et al.,
Case No. 08-cv-6197**

**Gulf Stream Builders Supply, Inc. v.
ArcelorMittal, et al., Case No. 10-cv-4236**

Case No. 08-cv-5214

Honorable James B. Zagel

**[PROPOSED] ORDER PRELIMINARILY APPROVING THE
SETTLEMENT WITH AK STEEL HOLDING CORPORATION
AND AUTHORIZING DISSEMINATION OF NOTICE**

Upon consideration of (i) Plaintiffs' Unopposed Motion for Preliminary Approval of Settlement with AK Steel Holding Corporation (the "Motion"), (ii) the Settlement Agreement dated April 1, 2014, attached as Exhibit 1 to the Motion, (iii) the Brief in support of the Motion (the "Preliminary Approval Brief"), (iv) the proposed Notice Plan (collectively, the "Settlement Documents"), and (v) the oral arguments of the Parties, if any; and for good cause shown;

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that said Motion is GRANTED as follows:

I. Jurisdiction

1. This Court has jurisdiction over this Action and over all the parties.

II. Certification of the Proposed Settlement Class

2. The Court makes the following preliminary determinations as required by Rule 23 in light of the proposed settlement:

- a. Pursuant to Fed. R. Civ. P. 23(c)(1)(B), the Court preliminarily certifies the following Settlement Class:

All persons (excluding Defendants, their present and former parents, subsidiaries, affiliates, joint ventures, co-conspirators and government entities) who Purchased Steel Products directly from any of the defendants in *Standard Iron Works v. ArcelorMittal, et al.*, Case No. 08-C-5214, or their subsidiaries or controlled affiliates at any time between April 1, 2005 and December 31, 2007 (“the Settlement Class Period”) for delivery in the United States.

For purposes of the class definition, the terms “Steel Products” and “Purchased” are more specifically defined as follows:

“Steel Products” are defined as products derived from raw carbon steel and sold directly by any of the Defendants or their subsidiaries or controlled affiliates in the United States, including all carbon steel slabs, plates, sheet and coil products, galvanized and other coated sheet products; billets, blooms, rebar, merchant bar, beams and other structural shapes; and all other steel products derived from raw carbon steel and sold by Defendants except as specifically excluded below.

“Steel Products” specifically exclude the following product categories: stainless steel; grain-oriented electrical steel; tin mill products; clad plate (i.e., nickel, stainless or copper clad plate); steel pipe and other tubular products; “special bar quality” products; wire rod and other wire products; grinding balls; fabricated rebar products; fabricated steel joist, decking, fence posts and other fabricated building products; welded steel blanks; and steel products purchased under toll processing agreements.

The term “Purchased” includes all transactions for which pricing was negotiated during the class period and delivery was received during the class period. The class definition also includes transactions for which a sales contract was negotiated before the class period but (i) delivery was received during the class period and (ii) the actual transaction

price under the contract was adjusted (or indexed) based on market pricing that prevailed during the class period.

See Settlement Agreement ¶ 1.

b. Pursuant to Rule 23(a)(1), the Court preliminarily determines that the members of the Settlement Class are ascertainable from the reasonably accessible records available to Plaintiffs' Counsel and Defendants and that members of the Settlement Class are so numerous that their joinder before the Court would be impracticable.

c. Pursuant to Fed. R. Civ. P. 23(a)(2) and 23(c)(1)(B), the Court preliminarily determines that Plaintiffs have alleged one or more questions of fact or law common to the Settlement Class, including whether Defendants violated federal antitrust law by allegedly engaging in coordinated production cuts in order to raise, maintain or stabilize prices above competitive levels with respect to Steel Products.

d. Named Plaintiffs Standard Iron Works, Wilmington Steel Processing Co., Inc., Capow, Inc. d/b/a Eastern States Steel, Alco Industries, Inc., and Gulf Stream Builders Supply, Inc. (collectively, "Plaintiffs"), are hereby conditionally appointed as representatives of the Settlement Class, for the following reasons:

- i. Pursuant to Rule 23(a)(3), the Court preliminarily determines that the Plaintiffs' claims are typical of the claims of the proposed Settlement Class. Plaintiffs allege on behalf of the Settlement Class the same manner of injury from the same course of conduct that they complain of themselves, and Plaintiffs assert on their own behalf the same legal theory that they assert for the Settlement Class; and
- ii. Pursuant to Rule 23(a)(4), the Court preliminarily determines that Plaintiffs will fairly and adequately protect the interests of the Settlement Class. Plaintiffs' interests do not conflict with the interests of absent members of the Class. All of the Settlement Class members share a common interest in proving Defendants' alleged anticompetitive

conduct, and all Settlement Class members share a common interest in recovering the overcharge damages sought in the Complaints. Moreover, any Settlement Class member that wishes to opt out will be given an opportunity to do so. Furthermore, Plaintiffs have demonstrated the ability and incentive to represent the Settlement Class in this case, given the vigor with which they have prosecuted this action.

e. Pursuant to Rule 23(b)(3), the Court preliminarily determines that, in connection with and in light of the proposed Settlement, common questions of law and fact predominate over questions affecting only individual members. In light of the class-wide claims, issues, and defenses involved, the issues in this Action that are subject to generalized proof, and thus applicable to the Settlement Class as a whole, predominate over those issues that are subject only to individualized proof.

f. Also pursuant to Rule 23(b)(3), the Court preliminarily determines that, in connection with and in light of the proposed Settlement, a class action is superior to other available methods for the fair and efficient adjudication of this action. The Court believes it is desirable, for purposes of judicial and litigation efficiency, to concentrate the claims of the Settlement Class in a single action. The Court also believes that the class is manageable in light of the Settlement preliminarily approved in this Order.

g. Pursuant to Fed. R. Civ. P. 23(c)(1)(B) and 23(g), the Court having considered the factors provided in Rule 23(g)(1)(A), the following counsel (whom this Court previously appointed as interim Co-Lead Counsel for the Class) are hereby conditionally appointed as Co-Lead Counsel for the Settlement Class (“Co-Lead Counsel”):

KELLOGG, HUBER, HANSEN, TODD,
EVANS, & FIGEL, P.L.L.C.
Sumner Square
1615 M Street, N.W., Suite 400
Washington, DC 20036

FINE, KAPLAN AND BLACK, R.P.C.
One South Broad Street, 23rd Fl.
Philadelphia, PA 19107

III. Preliminary Approval of the Proposed Settlement

3. Upon review of the record and the Settlement Documents, the Court finds that the proposed Settlement – which includes, *inter alia*, a cash payment by AK Steel Holding Corporation (“AK” or “Settling Defendant”) of \$5,800,000.00 for the benefit of the Settlement Class, in exchange for, *inter alia*, dismissal of the litigation with prejudice and releases of claims by Plaintiffs and the Settlement Class as set forth in the Settlement Agreement – was arrived at by good faith arm’s-length negotiations by highly experienced counsel, after years of litigation, and upon a developed litigation record. The Settlement falls within the range of reasonable and possibly approvable settlements, and is hereby preliminarily approved, subject to further consideration at the Fairness Hearing described below.

IV. Approval of the Plan of Notice to the Settlement Class

4. The proposed forms of notice to Settlement Class Members of the pendency of this Class Action and the proposed Settlement thereof, including the Mailed Notice and the Publication Notice (the “Notices”), and the proposed methods of notice dissemination described in the Preliminary Approval Brief and the Notice Plan satisfy the requirements of Rule 23(e) of the Federal Rules of Civil Procedure and due process of law, are otherwise fair and reasonable, and therefore are approved.

V. Appointment of the Settlement Administrator

5. The Court appoints _____ to serve as the Settlement Administrator to assist Class Counsel in disseminating the notice and, if applicable, with administering class

member claims, distributing Notices and claim forms, assisting in the computation of claimant allocation amounts, and doing all that is reasonably necessary to administer the Settlement. Class Counsel shall submit to the Court for approval all reasonable expenses incurred by the Settlement Administrator out of the Settlement Fund in accordance with the Settlement Agreement.

VI. The Settlement Schedule and the Final Fairness Hearing

6. A hearing on final approval (the “Fairness Hearing”) shall be held before this Court on _____, **2014**, at _____[a.m./p.m.], in Courtroom 2503, Everett McKinley Dirksen United States Courthouse, 219 South Dearborn Street, Chicago, IL 60604. At the Fairness Hearing, the Court will consider, *inter alia*:

- a. whether the Settlement Class meets the requirements for final certification for settlement purposes under Fed. R. Civ. P. 23;
- b. the fairness, reasonableness and adequacy of the Settlement and whether the Settlement should be finally approved;
- c. whether the Notices and Notice Plan satisfied the requirements of Fed. R. Civ. P. 23 and due process;
- d. whether the Court should award attorneys’ fees (if applied for) and approve reimbursement of expenses to Class Counsel, and in what amount(s);
- e. whether the Court should approve a proposed plan of allocation and distribution of settlement proceeds, if one is submitted; and
- f. whether entry of a final judgment terminating this litigation with respect to AK should be entered.

The Fairness Hearing may be rescheduled or continued; in this event, the Court will furnish all counsel with appropriate notice. Class Counsel shall be responsible for communicating any such notice promptly to the Settlement Class by posting conspicuous notice on the settlement website.

7. Class Counsel and the Settlement Administrator shall provide notice to the Settlement Class substantially in accordance with the forms and schedule set forth in the Notice Plan.

8. Any request for exclusion from the Settlement Class must be delivered to the Settlement Administrator on or before _____, 2014. All requests for exclusion must be in writing and include: (i) the Settlement Class member's name, mailing address, email address, and telephone number; (ii) a request to opt out of the Settlement; (iii) the case name and number: *In re Steel Antitrust Litigation*, Case No. 08-cv-5214, United States District Court for the Northern District of Illinois, Eastern Division (Judge Zagel); and (iv) a statement certifying membership in the Settlement Class.

9. Any Objection to the Settlement or Class Counsel's expense petition shall be filed in this Court (directed to the Clerk of the United States District Court for the Northern District of Illinois, Eastern Division, Everett McKinley Dirksen United States Courthouse, 219 South Dearborn Street, Chicago, IL 60604), and served via U.S. Mail on the following counsel, on or before _____, 2014:

GREGORY A. MARKEL
CADWALADER, WICKERSHAM & TAFT, LLP
One World Financial Center
New York, NY 10281

JEFFREY S. ISTVAN
FINE, KAPLAN AND BLACK, R.P.C.
One South Broad Street, 23rd Fl.
Philadelphia, PA 19107

Any such Objection shall include a Summary Statement outlining the position(s) to be asserted and the grounds therefor together with copies of any supporting papers or briefs.

10. Any Settlement Class member who wishes to appear in person and be heard at the Fairness Hearing must file a Notice of Intention to Appear on or before _____, 2014.

11. All persons and entities who fail to file an Objection and/or Notice of Intention to Appear as well as a Summary Statement as provided above shall be deemed to have waived any objections and will not be heard at the Fairness Hearing.

12. Plaintiffs' motion for final settlement approval, an affidavit of compliance with the Notice Plan, any motions for attorneys' fees and/or reimbursement of expenses, and any proposed plan of allocation and distribution that Class Counsel wish to be considered at the Fairness Hearing, shall be filed within seven (7) days of the Fairness Hearing and shall be posted on the settlement website in accordance with the Notice Plan.

VII. Administrative Matters

13. The pendency of the proposed Settlement shall not affect the litigation schedule in this matter in any way. In the event that the Settlement does not become final, the Parties to the Settlement will return to litigation of this Action as if the Settlement had never happened, with the Parties to the Settlement bound by all Orders of the Court regardless of the date of entry, and the Settlement Agreement, the Settlement, and all related proceedings shall, except as expressly provided to the contrary in the Settlement Agreement, become null and void, and shall have no further force and effect; Plaintiffs and the Settlement Class shall retain full rights to assert any and all causes of action against AK and any other released party, and AK and any other released parties shall retain any and all defenses and counterclaims thereto.

14. Any capitalized terms not defined herein shall have the meaning ascribed to them in the Settlement Agreement.

SO ORDERED this ____ day of _____, 2014.

Honorable James B. Zagel
United States District Judge

EXHIBIT B

UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

**IN RE: STEEL ANTITRUST
LITIGATION**

**Case No. 08-cv-5214
Honorable James B. Zagel**

**THIS DOCUMENT RELATES TO
ALL DIRECT PURCHASER ACTIONS:**

**Standard Iron Works v. ArcelorMittal, et
al.,
Case No. 08-cv-5214**

**Wilmington Steel Processing Co., Inc. v.
ArcelorMittal, et al., Case No. 08-cv-5371**

**Capow, Inc. d/b/a Eastern States Steel v.
ArcelorMittal, et al., Case No. 08-cv-5633**

**Alco Industries, Inc. v. ArcelorMittal, et al.,
Case No. 08-cv-6197**

**Gulf Stream Builders Supply, Inc. v.
ArcelorMital, et al., Case No. 10-cv-4236**

**[PROPOSED] ORDER AND JUDGMENT APPROVING SETTLEMENT AND
DISMISSING WITH PREJUDICE AK STEEL HOLDING CORPORATION, AND
ORDER AWARDING ATTORNEYS' FEES AND/OR REIMBURSEMENT OF
EXPENSES**

The Court, having considered (a) **[final approval motion]**; (b) **[brief in support of motion]**; (c) **[declarations, if any, in support of motion]**; (d) **[motion for fees, if any, and for reimbursement of expenses]**; (e) **[brief in support of fee/expense motion]**; (f) **[declarations, if any, in support of fee/expense motion]**; (g) any and all comments and objections from members of the Settlement Class; and (h) any responses thereto; and having held a hearing on _____, 2014 and considered all of the submissions and arguments with respect

thereto, pursuant to Rules 23 and 54 of the Federal Rules of Civil Procedure, and in accordance with the terms of the Settlement Agreement between Plaintiffs and AK Steel Holding Corporation (“AK” or “Settling Defendant”), it is hereby ORDERED, ADJUDGED AND DECREED that the Motions are GRANTED as follows:

1. The Court has personal jurisdiction over all Settlement Class members and has subject matter jurisdiction over this Action, including, without limitation, jurisdiction to approve and enforce the Settlement Agreement, to grant final certification to the Settlement Class for settlement purposes, and to dismiss the Action with prejudice as to AK.

2. Based on the record before the Court, including the Order Preliminarily Approving Settlement with AK Steel Holding Corporation and Authorizing Dissemination of Notice ("Preliminary Approval Order"), the submissions in support of the Settlement, and any objections and responses thereto, the Court finds that all requirements of Fed. R. Civ. P. 23(a) and (b)(3) have been satisfied, and hereby certifies for settlement purposes the following Settlement Class:

All persons (excluding Defendants, their present and former parents, subsidiaries, affiliates, joint ventures, co-conspirators and government entities) who Purchased Steel Products directly from any of the defendants in *Standard Iron Works v. ArcelorMittal, et al.*, Case No. 08-C-5214, or their subsidiaries or controlled affiliates at any time between April 1, 2005 and December 31, 2007 (“the Settlement Class Period”) for delivery in the United States.

For purposes of the class definition, the terms “Steel Products” and “Purchased” are more specifically defined as follows:

“Steel Products” are defined as products derived from raw carbon steel and sold directly by any of the Defendants or their subsidiaries or controlled affiliates in the United States, including all carbon steel slabs, plates, sheet and coil products, galvanized and other coated sheet products; billets, blooms, rebar, merchant bar, beams and other structural shapes; and all other steel products derived from raw carbon steel and sold by Defendants except as specifically excluded below.

“Steel Products” specifically exclude the following product categories: stainless steel; grain-oriented electrical steel; tin mill products; clad plate (i.e., nickel, stainless or copper

clad plate); steel pipe and other tubular products; “special bar quality” products; wire rod and other wire products; grinding balls; fabricated rebar products; fabricated steel joist, decking, fence posts and other fabricated building products; welded steel blanks; and steel products purchased under toll processing agreements.

The term “Purchased” includes all transactions for which pricing was negotiated during the class period and delivery was received during the class period. The class definition also includes transactions for which a sales contract was negotiated before the class period but (i) delivery was received during the class period and (ii) the actual transaction price under the contract was adjusted (or indexed) based on market pricing that prevailed during the class period.

See Settlement Agreement ¶ 1. The Settlement Class excludes the Settlement Class members listed on the attached **[exhibit listing opt-outs]**.

3. The Court finds that the requirements of Rule 23 are satisfied for settlement purposes, as follows:

- a. Pursuant to Rule 23(a)(1), the Court determines that the Settlement Class members are ascertainable from the reasonably accessible records available to Plaintiffs’ Counsel and Defendants and that Settlement Class members are so numerous that their joinder before the Court would be impracticable.
- b. Pursuant to Fed. R. Civ. P. 23(a)(2) and 23(c)(1)(B), the Court determines that Plaintiffs have alleged one or more questions of fact or law common to the Settlement Class, including whether Defendants violated federal antitrust law by allegedly engaging in coordinated production cuts in order to raise, maintain or stabilize prices above competitive levels with respect to certain steel products.
- c. Pursuant to Rule 23(a)(3), the Court determines that the Plaintiffs’ claims are typical of the claims of the proposed Settlement Class. Plaintiffs allege on behalf of the Settlement Class the same manner of injury from the same course of conduct that they complain of themselves, and Plaintiffs assert on their own behalf the same legal theory that they assert for the Settlement Class;

- d. Pursuant to Rule 23(a)(4), the Court determines that Plaintiffs will fairly and adequately protect the interests of the Settlement Class. Plaintiffs' interests do not conflict with the interests of absent members of the Settlement Class. All of the Settlement Class members share a common interest in proving Defendants' alleged anticompetitive conduct, and all Settlement Class members share a common interest in recovering the overcharge damages sought in the Complaints. Moreover, any Settlement Class member that wishes to opt out has been given an opportunity to do so. Furthermore, Plaintiffs have demonstrated the ability and incentive to represent the Settlement Class in this case, given the vigor with which they have prosecuted this action.
- e. Pursuant to Rule 23(b)(3), the Court determines that, in connection with and in light of the proposed Settlement, common questions of law and fact predominate over questions affecting only individual members. In light of the class-wide claims, issues, and defenses involved, the issues in this action that are subject to generalized proof, and thus applicable to the Settlement Class as a whole, predominate over those issues that are subject only to individualized proof.
- f. Also pursuant to Rule 23(b)(3), the Court determines that, in connection with and in light of the proposed Settlement, a class action is superior to other available methods for the fair and efficient adjudication of this action. The Court believes it is desirable, for purposes of judicial and litigation efficiency, to concentrate the claims of the Settlement Class in a single action. The Court also believes that the class is manageable, particularly in light of the Settlement approved in this Order.

4. In accord with the above findings, named Plaintiffs Standard Iron Works, Wilmington Steel Processing Co., Inc., Capow, Inc. d/b/a Eastern States Steel, Alco Industries, Inc., and Gulf Stream Builders Supply, Inc., (collectively, “Plaintiffs”), are hereby appointed as representatives of the Settlement Class.

5. Pursuant to Fed. R. Civ. P. 23(c)(1)(B) and 23(g), the Court having considered the factors provided in Rule 23(g)(1)(A), the following counsel (whom this Court previously appointed as interim Co-Lead Counsel for the Class) are hereby appointed as Co-Lead Counsel for the Settlement Class (“Settlement Class Counsel”):

KELLOGG, HUBER, HANSEN, TODD,
EVANS, & FIGEL, P.L.L.C.
Sumner Square
1615 M Street, N.W., Suite 400
Washington, DC 20036

FINE, KAPLAN AND BLACK, R.P.C.
One South Broad St., 23rd Floor
Philadelphia, PA 19107

6. In accordance with the Preliminary Approval Order, notice of the proposed Settlement has been provided to the Settlement Class in the manner directed by the Court. *See* **[declaration of claims administrator or notice publisher]**. Such notice to Settlement Class members is hereby determined to be fully in compliance with the requirements of Fed. R. Civ. P. 23(e) and due process of law and is found to be the best notice practicable under the circumstances and to constitute due and sufficient notice to all persons and entities entitled thereto.

7. This Order shall have no force or effect on the persons or entities, if any, who have validly and timely requested exclusion from the Settlement Class. The only persons or entities that have requested exclusion from the Settlement Class are those listed on **[exhibit listing opt-outs]**.

8. Due and adequate notice of the proceedings having been given to the Settlement Class and a full opportunity having been offered to the Settlement Class to participate in the Fairness Hearing, it is hereby determined that all Settlement Class members, except those who have validly and timely requested exclusion from the Settlement Class, are bound by this Final Order and Judgment.

9. Pursuant to Rule 23(e) of the Federal Rules of Civil Procedure, the Court hereby grants final approval of the settlement on the basis that the settlement is fair, reasonable, and adequate as to, and in the best interests of, all Settlement Class members and is in compliance with all applicable requirements of the Federal Rules of Civil Procedure. In reaching this conclusion, the Court is satisfied that the settlement was fairly and honestly negotiated, as it was the result of vigorous arm's length negotiations undertaken in good faith by counsel with significant experience litigating antitrust class actions, and that serious questions of law and fact exist such that the value of an immediate recovery outweighs the mere possibility of future relief after protracted and expensive litigation. The Court gives weight to the parties' judgment that the settlement is fair and reasonable, as well as to the Settlement Class members' reaction to the settlement.

10. **[To be included if attorneys' fees are requested.]** Settlement Class Counsel has moved for an award of attorneys' fees. See **[fee petition, if any]** and **[declaration in support, if any]**. After appropriate notice to the Settlement Class of the motion for attorneys' fees, and upon consideration of the motion and all related submissions and argument, and the response of the Settlement Class thereto; now therefore pursuant to Rules 23(h)(3) and 54(d) of the Federal Rules of Civil Procedure, this Court awards Settlement Class Counsel \$_____ **[or ____% of the Settlement Fund]** as attorneys' fees, which this Court finds to be within, or below, the applicable range of reasonable percentage-of-the-fund awards. Settlement Co-Lead Counsel at their sole discretion shall allocate the fees and expenses among all of the Class

Counsel. The fee award is supported, *inter alia*, by the following findings of fact and conclusions of law: the Settlement confers a monetary benefit on the Class that is substantial, both in absolute terms and when assessed in light of the risks of establishing liability and damages in this case; Class Counsel have effectively and efficiently prosecuted this difficult and complex action on behalf of the members of the Class for several years, reasonably expending many thousands of hours, with no guarantee they would be compensated; the Settlement achieved for the benefit of the Class was obtained as a direct result of Class Counsel's skillful advocacy; and the Settlement was reached following negotiations held in good-faith and in the absence of collusion.

11. Settlement Class Counsel has moved for reimbursement of litigation expenses out of the Settlement Fund. After appropriate notice to the Settlement Class of the motion for reimbursement of litigation expenses, and upon consideration of the motion and all related submissions and argument, and the response of the Settlement Class thereto; now therefore pursuant to Rules 23(h)(3) and 54(d) of the Federal Rules of Civil Procedure, this Court awards Settlement Class Counsel \$_____ out of the Settlement Fund to reimburse them for expenses incurred in the prosecution of this lawsuit, which expenses the Court finds to be fair and reasonably incurred to achieve the benefits to the Settlement Class obtained in the Settlement, as well as the continued litigation of this Action against non-settling Defendants.

12. By separate Order, the Court will consider any proposed plan of allocation and distribution of the Settlement Fund submitted by Settlement Class Counsel.

13. This Order and the Settlement Agreement do not settle or compromise any claims by Plaintiffs or Settlement Class members against any party other than the Released Parties as defined in the Release. All rights of any Settlement Class member against any person or entity other than AK and other Released Parties for sales made by AK are specifically reserved by Plaintiffs and the

Settlement Class members. AK's sales of Steel Products in the United States shall remain the subject of damages and/or joint and several liability claims in the Action against defendants other than AK, and/or against any future defendants other than AK and the other Released Parties.

14. The Settlement Agreement and/or any act performed or document executed pursuant to the Settlement Agreement is not, may not be deemed, and may not be used in this Action or any other civil, criminal or administrative proceeding as evidence of, an admission of liability or wrongdoing on the part of any person or entity, including but not limited to Settling Defendant and other Released Parties.

15. Without affecting the finality of this Order, the Court retains exclusive jurisdiction over: (a) the enforcement of this Order; (b) the litigation between Plaintiffs and defendants other than Settling Defendant; (c) the administration and enforcement of the Settlement Agreement; and (d) the administration and distribution of the Settlement Fund.

16. In the event the Settlement does not become Final in accordance with the Settlement Agreement, this Order and Final Judgment shall be rendered null and void as provided by the Settlement Agreement, shall be vacated, and all orders entered and releases delivered in connection herewith shall be null and void to the extent provided by and in accordance with the Settlement Agreement.

17. The Court hereby directs that this judgment be entered by the clerk forthwith pursuant to Federal Rule of Civil Procedure 54(b). The direction of the entry of final judgment pursuant to Rule 54(b) is appropriate and proper because this judgment fully and finally adjudicates the claims of the Plaintiffs and the Settlement Class against the Settling Defendant in this Action, allows consummation of the Settlement, and will expedite the reimbursement of expenses from the Settlement Fund. In accordance with the terms of the Settlement Agreement, this Order is final and appealable.

18. Terms Capitalized in this Order and not defined herein have the same meaning as those used in the Settlement Agreement.

SO ORDERED this the ____ day of _____, 2014.

s/
Honorable James B. Zagel
United States District Judge

EXHIBIT 3

UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

**IN RE: STEEL ANTITRUST
LITIGATION**

Case No. 08-cv-5214

Honorable James B. Zagel

**THIS DOCUMENT RELATES TO
ALL DIRECT PURCHASER ACTIONS:**

Standard Iron Works v. ArcelorMittal, et al.,
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ArcelorMittal, et al., Case No. 08-cv-5633

Alco Industries, Inc. v. ArcelorMittal, et al.,
Case No. 08-cv-6197

Gulf Stream Builders Supply, Inc. v.
ArcelorMittal, et al., Case No. 10-cv-4236

SETTLEMENT AGREEMENT

This Settlement Agreement is made and entered into as of the 1st day of April, 2014, by Gerdau Ameristeel Corporation (“Gerdau” or “Settling Defendant”) and Standard Iron Works, Wilmington Steel Processing Co., Inc., Capow, Inc. d/b/a Eastern States Steel, Alco Industries, Inc., and Gulf Stream Builders Supply, Inc., in their individual capacities and in their capacity as representatives of a proposed Settlement Class, as defined herein (“Plaintiffs”) (collectively referred to as “the Parties”):

WHEREAS, there is pending in the United States District Court for the Northern District of Illinois, Eastern Division, a Class Action Complaint for Damages captioned *Standard Iron Works v. ArcelorMittal, et al.*, Case No. 08-C-5214, that was filed on September 12, 2008 (“Complaint”) and consolidated with several related cases,¹ in which Plaintiffs allege that defendants unlawfully agreed to restrict the output of steel products in the United States, in violation of the Sherman Act (the “Action”);

WHEREAS, Settling Defendant denies any and all wrongdoing in connection with the claims that have or could have been alleged against it in the Action and has asserted a number of defenses to Plaintiffs’ claims;

WHEREAS, Settling Defendant, through its counsel, and Plaintiffs, through their counsel, have engaged in vigorous, arms-length negotiations that led to this Settlement Agreement, which embodies all of the terms and conditions of the settlement among the Parties, subject to approval of this Settlement Agreement by the Court;

WHEREAS, Plaintiffs are represented in the Action by Kellogg, Huber, Hansen, Todd, Evans & Figel, P.L.L.C., and Fine, Kaplan and Black, R.P.C. (collectively, “Interim Co-Lead Class Counsel”), along with other counsel (collectively with Interim Co-Lead Class Counsel, “Plaintiffs’ Counsel”), and Settling Defendant is represented in the Action by Eimer Stahl LLP (“Defendant’s Counsel”);

WHEREAS, Plaintiffs’ Counsel have concluded, despite their belief after extensive discovery and investigation of the facts that their claims have merit, after carefully considering

¹ Putative class representatives filed seven direct purchaser class actions in this Court, which have been consolidated in this action: *Standard Iron Works v. ArcelorMittal, et al.*, No. 08 C 5214; *Wilmington Steel Processing Co., Inc. v. ArcelorMittal, et al.*, No. 08 C 5371; *Capow, Inc. v. ArcelorMittal, et al.*, No. 08 C 5633; *MPM Display, Inc. v. ArcelorMittal, et al.*, No. 08 C 5700; *REM Sys., Inc. v. ArcelorMittal, et al.*, No. 08 C 5942; *Alco Indus. Inc. v. ArcelorMittal, et al.*, No. 08 C 06197, and *Gulf Stream Builders Supply, Inc. v. ArcelorMittal, et al.*, No. 10-cv-4263. The MPM Display and REM Systems cases were voluntarily dismissed.

the circumstances of the case, including the claims asserted in the Complaint and the possible legal and factual defenses thereto, that it would be in the best interests of the Settlement Class to enter into this Settlement Agreement in order to avoid the uncertainties of litigation and assure that the benefits reflected herein are obtained for the Settlement Class and, further, that Plaintiffs' Counsel consider the settlement set forth herein to be fair, reasonable and adequate and in the best interests of the Plaintiffs and all members of the Settlement Class;

WHEREAS, Settling Defendant, despite its belief, after extensive discovery and investigation of the facts, that the claims lack merit and that it has full and complete defenses to the claims asserted against it, has agreed to enter into this Settlement Agreement to avoid further expense, inconvenience, and distraction of burdensome and protracted litigation, and to thereby put to rest with finality this controversy with Plaintiffs and the Settlement Class Members;

WHEREAS, Settling Defendant and Plaintiffs have had a full opportunity to examine the facts and circumstances surrounding their respective decisions to accept the terms of the Settlement Agreement and have not relied on any representations (or the lack thereof) made by any other party concerning the circumstances leading to this Settlement Agreement;

NOW, THEREFORE, it is agreed between Settling Defendant and Plaintiffs, and by and through Plaintiffs' Counsel and Defendant's Counsel, in consideration for the mutual covenants contained in this Settlement Agreement and other good and valuable consideration the adequacy of which is hereby acknowledged, that the Action against Settling Defendant be settled, compromised and dismissed on the merits and with prejudice and, except as hereafter provided, without costs as to Plaintiffs or Settling Defendant, subject to the approval of the Court, on the following terms and conditions:

1. **Settlement Class.** The proposed Settlement Class shall consist of:

All persons (excluding Defendants, their present and former parents, subsidiaries, affiliates, joint ventures, co-conspirators and government entities) who Purchased Steel Products directly from any of the defendants in *Standard Iron Works v. ArcelorMittal, et al.*, Case No. 08-C-5214, or their subsidiaries or controlled affiliates at any time between April 1, 2005 and December 31, 2007 (“the Settlement Class Period”) for delivery in the United States.

For purposes of the class definition, the terms “Steel Products” and “Purchased” are more specifically defined as follows:

“Steel Products” are defined as products derived from raw carbon steel and sold directly by any of the Defendants or their subsidiaries or controlled affiliates in the United States, including all carbon steel slabs, plates, sheet and coil products, galvanized and other coated sheet products; billets, blooms, rebar, merchant bar, beams and other structural shapes; and all other steel products derived from raw carbon steel and sold by Defendants except as specifically excluded below.

“Steel Products” specifically exclude the following product categories: stainless steel; grain-oriented electrical steel; tin mill products; clad plate (i.e., nickel, stainless or copper clad plate); steel pipe and other tubular products; “special bar quality” products; wire rod and other wire products; grinding balls; fabricated rebar products; fabricated steel joist, decking, fence posts and other fabricated building products; welded steel blanks; and steel products purchased under toll processing agreements.

The term “Purchased” includes all transactions for which pricing was negotiated during the class period and delivery was received during the class period. The class definition also includes transactions for which a sales contract was negotiated before the class period but (i) delivery was received during the class period and (ii) the actual transaction price under the contract was adjusted (or indexed) based on market pricing that prevailed during the class period.

2. **Reasonable Best Efforts to Effectuate This Settlement Agreement.** The

Parties shall undertake their reasonable best efforts, including all steps and efforts contemplated by this Settlement Agreement and any other steps and efforts that may be necessary or

appropriate, by order of the Court or otherwise, to carry out the terms of this Settlement Agreement.

3. **Motion for Preliminary Approval.** As soon as practicable following the execution of this Settlement Agreement, Class Counsel shall submit to the Court a motion, which shall not be opposed by Settling Defendant, seeking entry of an order in substantially the form annexed hereto as Exhibit A ("Preliminary Approval Order") preliminarily approving the Settlement, certifying the Settlement Class solely for the purposes of this Settlement, approving the Notice and Notice Plan, and suspending all deadlines as against Settling Defendant until the Court renders a final decision concerning the approval of the Settlement Agreement, and if it approves the Settlement Agreement, enters the final judgment.

4. **Notice to Settlement Class.** Upon entry of the Preliminary Approval Order, Plaintiffs' Counsel shall, in accordance with the Preliminary Approval Order, provide notice of the proposed settlement to members of the Settlement Class. Prior to submission of the proposed Notice and Notice Plan to the Court, Class Counsel will provide a draft Notice and Notice Plan to Settling Defendant for its comments and approval. Class Counsel will, in good faith, consider Settling Defendant's comments, and Settling Defendant reserves the right to call to the Court's attention any deficiencies it believes exist in the Notice or Notice Plan. The Notice and Notice Plan will be reasonably calculated to apprise Settlement Class Members of the pendency of the Action, the Settlement Agreement, and their opportunity to be heard in connection therewith. The Notice Plan will provide that Notice will be given (i) by direct mail to Settlement Class Members who can be identified through reasonable efforts, and if necessary (ii) by publication to all Settlement Class Members in selected media. Settlement Class Members shall have the right to exclude themselves from the Settlement Class pursuant to the procedure set forth in the

Notice. Within ten (10) days of the conclusion of the period in which Settlement Class Members may file a written request for exclusion, Class Counsel shall deliver to Defendant's Counsel all such requests received. Each Settlement Class Member that does not file a timely written request for exclusion in accordance with the procedures set forth in the Notice shall be bound by all of the terms of this Settlement Agreement, including the Release defined in Paragraph 12. Settlement Class Members also shall have the right to object to the fairness, reasonableness or adequacy of the Settlement or any part thereof, in accordance with the terms and conditions set forth in the Notice and the Preliminary Approval Order.

5. Motion for Final Approval and Entry of Final Judgment. At a final fairness hearing, Plaintiffs' Counsel shall seek entry of an order and final judgment in the form attached hereto as Exhibit B (the "Final Order and Judgment") finally approving the Settlement Agreement. Plaintiffs' Counsel may, at their sole discretion, also request from the Court an award of attorneys' fees and/or reimbursement of litigation expenses to be paid out of the Settlement Fund. Settling Defendant will not oppose Plaintiffs' request for final approval of the Settlement, and Settling Defendant will not oppose Plaintiffs' Counsel's request for an award of attorneys' fees and/or reimbursement of litigation expenses.

6. Finality. This Settlement Agreement shall become Final upon the occurrence of all of the following:

- a. Entry, as provided in Paragraph 5 above, is made of the Final Order and Judgment; and
- b. The time for appeal or to seek permission to appeal from the Final Order and Judgment expires, or if appealed, either: (i) such appeal is dismissed with prejudice prior to resolution by the applicable court; (ii) the Final Order and Judgment is affirmed in its entirety by

the court of last resort to which such appeal may be taken; or (iii) the Final Order and Judgment is modified and finally entered and neither Settling Defendant nor Plaintiffs elects to terminate the Settlement pursuant to Paragraph 14 below.

7. **Settlement Administrator.** Pursuant to the Preliminary Approval Order, Plaintiffs' Counsel shall engage a qualified settlement administrator (the "Settlement Administrator") to assist with the settlement claims process, if any, and perform certain ministerial functions concerning the Escrow Account as set forth in Paragraph 9. All Court-approved costs and expenses reasonably and actually incurred by the Settlement Administrator in connection with providing notice to the Settlement Class, communicating with Settlement Class Members, and, if applicable, administering and distributing the Settlement Fund ("Notice and Administration Costs") shall be paid solely from the Settlement Fund, in accordance with Paragraph 10(b). Notice and Administration Costs shall not include any amounts attributable to the Expense Amount as defined in Paragraph 10(c).

8. **The Settlement Fund.** Subject to the provisions hereof, and in full, complete, and final settlement of this matter as provided herein, within ten (10) business days after entry of the Preliminary Approval Order or April 1, 2014, whichever is later, Settling Defendant shall pay by wire transfer six million, one hundred thousand U.S. dollars (\$6,100,000.00) (the "Settlement Amount") into an escrow account ("Escrow Account") established and administered pursuant to an escrow agreement agreeable to the Parties ("Escrow Agreement"). Settling Defendant shall have no payment obligation after the payment of the Settlement Amount. The Escrow Account shall be administered by an escrow agent mutually satisfactory to Settling Defendant and Plaintiffs' Counsel (the "Escrow Agent"). In accordance with the Escrow Agreement, the Escrow Agent shall be instructed to invest the Settlement Amount in United States Treasury

Bills, United States Treasury Notes, or other instruments insured or guaranteed by the full faith and credit of the United States, and any interest earned on the Settlement Amount (together with the Settlement Amount) shall become part of the "Settlement Fund." The Attorneys' Fees, Expense Amount, Notice and Administration Costs, Tax Expenses and any other costs of implementing the settlement as the Court may determine shall be paid solely from the Settlement Fund. The Settlement Fund shall be paid and distributed in accordance with orders of the Court, this Settlement Agreement and the Escrow Agreement. Settling Defendant shall take no position, and shall have no obligation, responsibility or liability with respect to the management, allocation, administration or distribution of the Settlement Fund.

9. Escrow Account.

a. The Parties agree to treat the Escrow Account and the Settlement Fund at all times as a single "qualified settlement fund" within the meaning of Treas. Reg. Section 1.468B-1. All necessary steps shall be taken to ensure that the Escrow Account and Settlement Fund are treated as a "qualified settlement fund" in accordance with Treasury Regulation 1.468B-1. The Parties and their respective agents shall not take any action that would adversely affect the qualification of the Escrow Account and the Settlement Fund as a qualified settlement fund or would cause the Escrow Account and the Settlement Fund to be treated as a grantor trust for tax purposes. At the request of Settling Defendant, a "relation back election" as described in Treas. Reg. §1.468B-1(j) shall be made so as to enable the Settlement Fund to be treated as a qualified settlement fund from the earliest date possible and all parties shall take all steps necessary or appropriate to this end.

b. For the purposes of Section 468B of the Internal Revenue Code of 1986, and Treas. Reg. Section 1.468B-2(k)(3), the "administrator" shall be the Settlement

Administrator. The Parties agree that the Settlement Administrator shall be engaged to timely and properly file all informational and other tax returns necessary or advisable with respect to the Escrow Account (including without limitation the returns described in Treas. Reg. Section 1.468B-2(k)(1) and Treas. Reg. Section 1.468B-2(l)). Such returns shall be consistent with this subparagraph (b) and in all events shall reflect that all taxes (including any estimated taxes, interest or penalties) on the income earned by the Escrow Account shall be paid out of the Escrow Account as provided in subparagraph (c) herein.

c. All taxes (including any estimated taxes, interest or penalties) arising with respect to the income earned on the Settlement Fund by the Escrow Account ("Taxes") shall be paid out of the Escrow Account upon joint written instructions from Plaintiffs' Counsel and Defendant's Counsel, in accordance with Paragraph 10(a). All expenses and costs incurred by the Settlement Administrator in connection with the operation and implementation of this paragraph (including, without limitation, reasonable expenses of tax attorneys and/or accountants and mailing and distribution costs, expenses or penalties relating to filing (or failing to file) the returns described in this paragraph) ("Tax Expenses") shall be treated as, and considered to be, an Administration Cost of the settlement and shall be paid upon Court order in accordance with Paragraph 10(b). The Settlement Administrator shall be obligated (notwithstanding anything herein to the contrary) to withhold from distribution any funds necessary to pay Taxes and Tax Expenses.

10. Distribution of the Settlement Fund. The Parties agree that the Settlement Fund shall be paid out as follows:

a. Taxes shall be paid in accordance with Paragraph 9 above.

b. After entry of an order approving such distribution, the Settlement Administrator shall be paid Notice and Administration Costs and Tax Expenses.

c. After entry of an order awarding attorneys' fees to Class Counsel ("Attorneys' Fees") and/or reimbursement of litigation expenses, e.g., expert fees, hearing and deposition expenses, e-discovery expenses, travel expenses, etc., to Class Counsel (the "Expense Amount"), and within five (5) banking days following written certification by Plaintiffs' Counsel and counsel for Settling Defendant that the Effective Date (as defined in paragraph 11 below) has occurred, the Attorneys' Fees and/or Expense Amount, or \$3.05 million, whichever is less, may be paid in accordance with the written instructions of Plaintiffs' Counsel; provided, however, that any Plaintiffs' Counsel seeking to draw down their share of the Attorneys' Fees or Expense Amount prior to the Settlement Agreement becoming Final shall submit to the Settlement Administrator a Letter of Credit or Letters of Credit on terms and issued by banks acceptable to Settling Defendant securing repayment in the amount of the draw down.

d. After entry of an order awarding Attorneys' Fees and/or an Expense Amount, and within five (5) banking days after receipt of written notification by Plaintiffs' Counsel and Defendant's Counsel that the Settlement Agreement has become Final (as defined in paragraph 6 above), any then-unpaid portion of the Attorneys' Fees and/or Expense Amount, e.g., any portion in excess of the amounts drawn down in accordance with subparagraph (c) above, shall be paid in accordance with the written instructions of Plaintiffs' Counsel.

e. Within five (5) banking days following written certification by Plaintiffs' Counsel and counsel for Settling Defendant that this Settlement Agreement will not become Final (as defined in Paragraph 6 hereof), and in accordance with written instructions of Settling Defendant, that portion of the Settlement Fund, including accrued interest thereon, that remains

after an allowance for any unpaid Notice and Administration Costs and Tax Expense shall be paid to Settling Defendant.

f. If funds remain in the Settlement Fund after payment of the amounts set forth in subparagraphs (a)-(d) above, then after (i) written certification by counsel for Settling Defendant and Plaintiffs' Counsel that the Settlement Agreement is Final pursuant to paragraph 6 hereof, and (ii) receipt of an order of the Court approving distribution of the Settlement Fund to the Settlement Class, the remaining Settlement Funds shall be distributed as ordered by the Court; provided, however, that any amounts in the Escrow Account necessary for Taxes and Tax Expenses shall remain in the Escrow Account.

g. Each Settlement Class member shall look solely to the Settlement Amount for settlement and satisfaction, as provided herein, of all claims released by the Releasors (as defined below). Other than payment of the Settlement Amount, Settling Defendant shall not be liable for any fees or expenses of Plaintiffs' Counsel, Plaintiffs, or any Settlement Class Member in connection with the Action or any Released Claims (as defined below). Plaintiffs' Counsel agree that they will not seek any additional fees or expenses from Settling Defendant in connection with the Action and the Settlement Agreement, set forth herein.

h. In the event that the Final Order and Judgment is reversed on appeal, in whole or in part, and the Settlement Agreement is terminated pursuant to Paragraph 14 below, then (i) Plaintiffs' Counsel shall reimburse the Settlement Fund within ten (10) days all or the pertinent portion of any draw down of Attorneys' Fees or Expense Amounts, described above in subparagraph (c) with interest, calculated at the rate of interest published in the *Wall Street Journal* for three-month U.S. Treasury Bills as of the close of the date that the draw-down was distributed, and (ii) within five (5) banking days thereafter, upon receipt of written certification

by Plaintiffs' Counsel and counsel for Settling Defendant that the Settlement Agreement has terminated, and in accordance with written instructions of counsel for Settling Defendant, that portion of the Settlement Fund, including any interest thereon, that remains after an allowance for any unpaid Notice and Administration Costs and Tax Expenses shall be distributed to Settling Defendant. The Settlement Administrator may present the Letter(s) of Credit in the event Plaintiffs' Counsel fails to honor the obligation to repay the amount withdrawn.

i. In the event that the Settlement Agreement is not terminated but the Court's order awarding the Attorneys' Fees or the Expense Amount is vacated, in whole or in part, then by a date no later than ten (10) days after finality of such an order (including any appeals or proceedings on remand), Plaintiffs' Counsel, and each of them, shall be obligated to return, and do hereby agree that they shall return to the Settlement Fund, any vacated portion of the Attorneys' Fees and/or Expense Amount that has been distributed to them. The Settlement Administrator may present the Letter(s) of Credit in the event Plaintiffs' Counsel fails to honor the obligation to repay the amount withdrawn.

11. Effective Date of Settlement Agreement. The Effective Date of this Settlement Agreement shall be the first day after which all of the following events and conditions of this Settlement Agreement have been met or have occurred:

- a. Counsel for Settling Defendant and Plaintiffs' Counsel have executed this Settlement Agreement;
- b. The Preliminary Approval Order has been entered;
- c. The deadline for Settlement Class Members to request exclusion from the Settlement has passed; and

d. The Court has entered the Final Order and Judgment approving the Settlement Agreement.

12. Releases.

a. Upon the Effective Date, all Settlement Class Members, on behalf of themselves and their respective past, present, direct and indirect parents, subsidiaries, affiliates, predecessors and successors, and the past and present officers, directors, employees, agents, insurers, attorneys, shareholders, joint ventures, partners, and representatives, as well as the predecessors, successors, heirs, executors, administrators, and assigns of each of the foregoing (“Releasers”) shall be deemed to have, and by operation of the Final Order and Judgment, shall have, fully, finally, and forever released, discharged and covenanted not to sue Settling Defendant, its past and present, direct and indirect parents, subsidiaries, affiliates, predecessors and successors, and the past and present officers, directors, employees, agents, insurers, attorneys, shareholders, joint ventures, partners, and representatives, as well as the predecessors, successors, heirs, executors, administrators, and assigns of each of the foregoing (“Released Parties”) from all claims, actions, causes of action, lawsuits, damages, liabilities, costs, expenses, whether class or individual in nature, whether known or unknown, foreseen or unforeseen, existing in the past, existing in the present or arising in the future, that were or could have been alleged in this Action, including those arising under any federal, state, or foreign antitrust law, unfair competition, unfair practices, price discrimination, unitary pricing, unjust enrichment, contract, or trade practice law (“Released Claims”). Each Releaser hereby covenants and agrees that it shall not, hereafter, sue or otherwise seek to establish liability against any Released Party based in whole or in part on any Released Claims.

b. In addition, each Releasor hereby expressly waives and releases, upon this Settlement Agreement becoming final, any and all provisions, rights, or benefits conferred by section 1542 of the California Civil Code, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor;

and any law of any state or territory of the United States, or principle of common law, which is similar, comparable or equivalent to section 1542 of the California Civil Code. Each Settlement Class Member may hereafter discover facts other than or different from those which he, she or it knows or believes to be true with respect to the Released Claims. Nevertheless, each Settlement Class Member hereby expressly waives and fully, finally and forever settles and releases, upon this Settlement Agreement becoming final, the Released Claims, whether any Released Claim is known or unknown, suspected or unsuspected, contingent or non-contingent, concealed or hidden, without regard to the subsequent discovery or existence of such different or additional facts. Each Releasor further forever waives and relinquishes any and all rights and benefits existing under any law or principle of law in any jurisdiction that would limit or restrict the effect or scope of the provisions of the release set forth above without regard to the subsequent discovery or existence of other or different facts.

c. The Releases set forth herein shall not release any claims, whether pending or not, whether known or unknown, that are unrelated to the subject matter of the Complaint or the Released claims, including claims under the Uniform Commercial Code or for product liability, personal injury, breach of warranty, breach of contract, or any other cause of action or legal theory.

13. Reservation of Claims. This Settlement Agreement does not settle or compromise any claims by Plaintiffs or any Settlement Class Member against any party other than the Released Parties. The Settlement Class Members intend by this Settlement Agreement to settle with and release only the Released Parties, and the Parties do not intend this Settlement Agreement, or any part hereof, to release or otherwise affect in any way any rights Settlement Class Members have or may have against any other party or entity whatsoever, including but not limited to non-settling Defendants ArcelorMittal, ArcelorMittal USA, Inc., United States Steel Corporation, Nucor Corporation, Steel Dynamics, Inc., and SSAB Swedish Steel Corporation, and their past and present, direct or indirect parents, subsidiaries, affiliates, predecessors or successors. All rights of any Settlement Class Member against non-settling Defendants or any other person or entity (other than the Released Parties) for sales made by Settling Defendant are specifically reserved by Plaintiffs and the Settlement Class Members. Sales of steel products by the Settling Defendant in the United States shall remain the subject of damages and/or joint and several liability claims in the Action against defendants other than Settling Defendant and/or against any future defendants other than the Released Parties.

14. Rights to Terminate Settlement. If the Court does not finally approve this Settlement Agreement in its entirety, or if such approval is materially modified or set aside on appeal, or if the Court does not enter the Final Order and Judgment substantially in the form provided for in Exhibit B attached hereto, or if the Court enters the Final Order and Judgment and appellate review is sought and, on such review, such Final Order and Judgment is not affirmed or is affirmed with material modifications, then this Settlement Agreement may be terminated upon the election of Settling Defendant or Plaintiffs' Counsel. A modification or reversal on appeal of (i) any amount of Attorneys' Fees or Expense Amount awarded by the

Court from the Settlement Fund, or (ii) a proposed plan of distribution shall not be deemed a material modification of all or a part of the terms of this Settlement Agreement or Final Order and shall not give rise to any right of termination. Except as provided in this paragraph, no Party or Counsel shall have any other right to terminate this Settlement Agreement.

15. Effect of Termination. If this Settlement Agreement is terminated pursuant to Paragraph 14, then (a) any Attorneys' Fees or Expense Amounts paid to Plaintiffs' Counsel shall be paid to the Settlement Fund in accordance with paragraph 10(h); (b) the Settlement Fund, net of (i) Tax Expenses, and (ii) Notice and Administration Costs, shall be returned to the Settling Defendant; (c) the Settlement Agreement shall be of no force or effect, except for payment of Tax Expenses and Notice and Administration Costs from the Settlement Fund; (d) any Release pursuant to Paragraph 12 shall be of no force or effect; and (e) the Parties will return to litigation of this Action as if the Settlement had never happened, with all Parties bound by all Orders of the Court regardless of the date of entry. The Parties otherwise expressly reserve all of their rights if this Settlement Agreement is terminated or does not become final.

16. No Admission; Reservation of Rights. Neither this Settlement Agreement, whether it becomes final or not, nor any negotiations, documents, or discussions associated with it, nor any proceedings undertaken in accordance with the terms set forth herein, shall be construed as or deemed to be evidence of or an admission or concession by Settling Defendant in any action or proceeding of any kind whatsoever, civil, criminal, or otherwise, before any court, administrative agency, regulatory body, or any other body or authority, present or future, of any violation of any statute or law, of any liability or wrongdoing by Settling Defendant, or of the truth or validity of any of the claims or allegations contained in the Complaint or any other pleading that Plaintiffs or the Settlement Class have or could have asserted against Settling

Defendant including, without limitation, that Settling Defendant has engaged in any conduct or practice that violates any antitrust statute, or other law, regulation or obligation. Settling Defendant expressly denies any liability whatsoever for any and all such claims and allegations.

17. Cooperation. Once the Settlement Agreement becomes Final, Settling Defendant agrees to produce, for individuals reasonably identified by Plaintiffs' Counsel as potentially having had communications related to the subject matter of this litigation who previously were identified as custodians for purposes of the initial document search: (i) all centrally filed telephone records; (ii) all centrally filed expense reports; and (iii) all relevant calendar entries, agendas, travel itineraries, and similar documents that previously were collected by Defense Counsel. Defendant further agrees to produce: (iv) all relevant documents that previously were collected and segregated by Defense Counsel as containing handwriting; and (v) all communications between management and mill-level employees regarding production cuts that previously were collected by Defense Counsel. Settling Defendant further agrees to cooperate with Plaintiffs to authenticate and qualify as business records, if applicable, up to 50 of its documents that are identified by Plaintiffs' Counsel as potential trial exhibits, either via written affidavit or, if required by the Court, by providing a custodian of records witness. Should Plaintiffs' Counsel or counsel for Settling Defendant identify any privileged document that has been inadvertently produced as a result of this paragraph, Plaintiffs' Counsel shall immediately return the inadvertently-produced document to Settling Defendant and advise Settling Defendant of all parties to whom the document has been produced. Settling Defendant further agrees to use its reasonable best efforts to assist Plaintiffs' Counsel to find current and former employees of Settling Defendant for an interview regarding the facts alleged in this

Action; and Defense Counsel agrees to conduct a reasonable, limited number of agreed, targeted searches of previously collected documents.

18. **Confidentiality.** All orders entered during the course of the Action relating to the confidentiality of information shall survive this Settlement Agreement.

19. **Consent to Jurisdiction.** Settling Defendant, Plaintiffs, Defendant's Counsel, Plaintiffs' Counsel and Settlement Class Members hereby submit to the exclusive jurisdiction of the Court for the purpose of any suit, action, proceeding, or dispute seeking enforcement of this Settlement Agreement or any of the terms herein or the applicability of this Settlement Agreement or the Escrow Agreement.

20. **Resolution of Disputes; Retention of Jurisdiction.** Any disputes between or among Settling Defendant, Plaintiffs, Plaintiffs' Counsel, Defendant's Counsel and any Settlement Class Member concerning matters contained in this Settlement Agreement, the Escrow Agreement and all related agreements and matters shall, if they cannot be resolved by negotiation and agreement, be submitted to the Court. The Court shall retain jurisdiction over the implementation and enforcement of this Settlement Agreement, the Escrow Agreement and all related agreements and matters.

21. **Authorization to Enter Settlement Agreement.** The undersigned representatives of Settling Defendant represent that they are fully authorized to enter into and to execute this Settlement Agreement on behalf of Settling Defendant. The undersigned representatives of Plaintiffs represent that they are fully authorized to enter into and to execute this Settlement Agreement on behalf of Plaintiffs and the Settlement Class Members, subject to Court approval.

22. **No Party Is the Drafter.** None of the parties hereto shall be considered to be the drafter of this Settlement Agreement or any provision hereof for the purpose of any statute, case law, or rule of interpretation or construction that would or might cause any provision to be construed against the drafter hereof.

23. **Inconsistency Between the Settlement Agreement and Exhibits.** Any inconsistency between this Settlement Agreement and the exhibits attached hereto shall be resolved in favor of the Settlement Agreement.

24. **Choice of Law.** All terms of this Settlement Agreement shall be governed by and interpreted according to the substantive laws of the State of Illinois without regard to its choice-of-law or conflict-of-laws principles.

25. **Amendment; Waiver.** This Settlement Agreement shall not be modified in any respect except by a writing executed by all the parties hereto, and the waiver of any rights conferred hereunder shall be effective only if made by written instrument of the waiving party. The waiver by any party of any breach of this Settlement Agreement shall not be deemed or construed as a waiver of any other breach, whether prior, subsequent, or contemporaneous, of this Settlement Agreement.

26. **Execution in Counterparts.** This Settlement Agreement may be executed in counterparts. Facsimile or .pdf signatures shall be considered as valid signatures as of the date thereof.

27. **Integrated Agreement.** This Settlement Agreement, including the exhibits hereto and the Supplemental Letter, comprise the entire, complete, and integrated statement of each and every term and provision agreed to by and between the Parties.

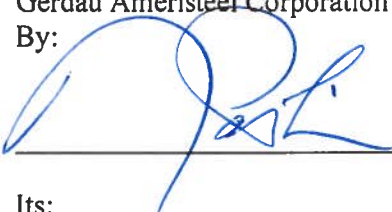
28. Construction. This Settlement Agreement shall be construed and interpreted to effectuate the intent of the Parties, which is to provide, through this Settlement Agreement, for a complete resolution of the Released Claims with respect to the Released Parties.

IN WITNESS WHEREOF, the Parties hereto, through their fully authorized representatives, have executed this Settlement Agreement as of the date last executed.

Date: April 1, 2014

SETTLING DEFENDANT:

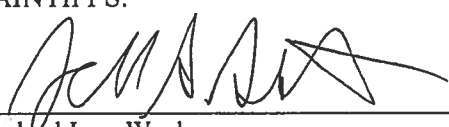
Gerdau Ameristeel Corporation

By: 

Its: _____

ATTORNEY

PLAINTIFFS:



Standard Iron Works
Wilmington Steel Processing Co., Inc.
Capow, Inc. d/b/a Eastern States Steel
Alco Industries, Inc.
Gulf Stream Builders Supply, Inc.
By:

Jeffrey S. Istvan
Interim Co-Lead Class Counsel

EXHIBIT A

UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

**IN RE: STEEL ANTITRUST
LITIGATION**

Case No. 08-cv-5214

Honorable James B. Zagel

**THIS DOCUMENT RELATES TO
ALL DIRECT PURCHASER ACTIONS:**

Standard Iron Works v. ArcelorMittal, et al.,
Case No. 08-cv-5214

Wilmington Steel Processing Co., Inc. v.
ArcelorMittal, et al., Case No. 08-cv-5371

Capow, Inc. d/b/a Eastern States Steel v.
ArcelorMittal, et al., Case No. 08-cv-5633

Alco Industries, Inc. v. ArcelorMittal, et al.,
Case No. 08-cv-6197

Gulf Stream Builders Supply, Inc. v.
ArcelorMittal, et al., Case No. 10-cv-4236

**[PROPOSED] ORDER PRELIMINARILY APPROVING THE
SETTLEMENT WITH GERDAU AMERISTEEL CORPORATION
AND AUTHORIZING DISSEMINATION OF NOTICE**

Upon consideration of (i) Plaintiffs' Unopposed Motion for Preliminary Approval of Settlement with Gerdau Ameristeel Corporation (the "Motion"), (ii) the Settlement Agreement dated April 1, 2014, attached as Exhibit 1 to the Motion, (iii) the Brief in support of the Motion (the "Preliminary Approval Brief"), (iv) the proposed Notice Plan (collectively, the "Settlement Documents"), and (v) the oral arguments of the Parties, if any; and for good cause shown;

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that said Motion is GRANTED as follows:

I. Jurisdiction

1. This Court has jurisdiction over this Action and over all the parties.

II. Certification of the Proposed Settlement Class

2. The Court makes the following preliminary determinations as required by Rule 23 in light of the proposed settlement:

- a. Pursuant to Fed. R. Civ. P. 23(c)(1)(B), the Court preliminarily certifies the following Settlement Class:

All persons (excluding Defendants, their present and former parents, subsidiaries, affiliates, joint ventures, co-conspirators and government entities) who Purchased Steel Products directly from any of the defendants in *Standard Iron Works v. ArcelorMittal, et al.*, Case No. 08-C-5214, or their subsidiaries or controlled affiliates at any time between April 1, 2005 and December 31, 2007 (“the Settlement Class Period”) for delivery in the United States.

For purposes of the class definition, the terms “Steel Products” and “Purchased” are more specifically defined as follows:

“Steel Products” are defined as products derived from raw carbon steel and sold directly by any of the Defendants or their subsidiaries or controlled affiliates in the United States, including all carbon steel slabs, plates, sheet and coil products, galvanized and other coated sheet products; billets, blooms, rebar, merchant bar, beams and other structural shapes; and all other steel products derived from raw carbon steel and sold by Defendants except as specifically excluded below.

“Steel Products” specifically exclude the following product categories: stainless steel; grain-oriented electrical steel; tin mill products; clad plate (i.e., nickel, stainless or copper clad plate); steel pipe and other tubular products; “special bar quality” products; wire rod and other wire products; grinding balls; fabricated rebar products; fabricated steel joist, decking, fence posts and other fabricated building products; welded steel blanks; and steel products purchased under toll processing agreements.

The term “Purchased” includes all transactions for which pricing was negotiated during the class period and delivery was received during the class period. The class definition also includes transactions for which a sales contract was negotiated before the class period but (i) delivery was received during the class period and (ii) the actual transaction

price under the contract was adjusted (or indexed) based on market pricing that prevailed during the class period.

See Settlement Agreement ¶ 1.

b. Pursuant to Rule 23(a)(1), the Court preliminarily determines that the members of the Settlement Class are ascertainable from the reasonably accessible records available to Plaintiffs' Counsel and Defendants and that members of the Settlement Class are so numerous that their joinder before the Court would be impracticable.

c. Pursuant to Fed. R. Civ. P. 23(a)(2) and 23(c)(1)(B), the Court preliminarily determines that Plaintiffs have alleged one or more questions of fact or law common to the Settlement Class, including whether Defendants violated federal antitrust law by allegedly engaging in coordinated production cuts in order to raise, maintain or stabilize prices above competitive levels with respect to Steel Products.

d. Named Plaintiffs Standard Iron Works, Wilmington Steel Processing Co., Inc., Capow, Inc. d/b/a Eastern States Steel, Alco Industries, Inc., and Gulf Stream Builders Supply, Inc. (collectively, "Plaintiffs"), are hereby conditionally appointed as representatives of the Settlement Class, for the following reasons:

- i. Pursuant to Rule 23(a)(3), the Court preliminarily determines that the Plaintiffs' claims are typical of the claims of the proposed Settlement Class. Plaintiffs allege on behalf of the Settlement Class the same manner of injury from the same course of conduct that they complain of themselves, and Plaintiffs assert on their own behalf the same legal theory that they assert for the Settlement Class; and
- ii. Pursuant to Rule 23(a)(4), the Court preliminarily determines that Plaintiffs will fairly and adequately protect the interests of the Settlement Class. Plaintiffs' interests do not conflict with the interests of absent members of the Class. All of the Settlement Class members share a common interest in proving Defendants' alleged anticompetitive

conduct, and all Settlement Class members share a common interest in recovering the overcharge damages sought in the Complaints. Moreover, any Settlement Class member that wishes to opt out will be given an opportunity to do so. Furthermore, Plaintiffs have demonstrated the ability and incentive to represent the Settlement Class in this case, given the vigor with which they have prosecuted this action.

e. Pursuant to Rule 23(b)(3), the Court preliminarily determines that, in connection with and in light of the proposed Settlement, common questions of law and fact predominate over questions affecting only individual members. In light of the class-wide claims, issues, and defenses involved, the issues in this Action that are subject to generalized proof, and thus applicable to the Settlement Class as a whole, predominate over those issues that are subject only to individualized proof.

f. Also pursuant to Rule 23(b)(3), the Court preliminarily determines that, in connection with and in light of the proposed Settlement, a class action is superior to other available methods for the fair and efficient adjudication of this action. The Court believes it is desirable, for purposes of judicial and litigation efficiency, to concentrate the claims of the Settlement Class in a single action. The Court also believes that the class is manageable in light of the Settlement preliminarily approved in this Order.

g. Pursuant to Fed. R. Civ. P. 23(c)(1)(B) and 23(g), the Court having considered the factors provided in Rule 23(g)(1)(A), the following counsel (whom this Court previously appointed as interim Co-Lead Counsel for the Class) are hereby conditionally appointed as Co-Lead Counsel for the Settlement Class (“Co-Lead Counsel”):

KELLOGG, HUBER, HANSEN, TODD,
EVANS, & FIGEL, P.L.L.C.
Sumner Square
1615 M Street, N.W., Suite 400
Washington, DC 20036

FINE, KAPLAN AND BLACK, R.P.C.
One South Broad Street, 23rd Fl.
Philadelphia, PA 19107

III. Preliminary Approval of the Proposed Settlement

3. Upon review of the record and the Settlement Documents, the Court finds that the proposed Settlement – which includes, *inter alia*, a cash payment by Gerdau Ameristeel Corporation (“Gerdau” or “Settling Defendant”) of \$6,100,000.00 for the benefit of the Settlement Class, in exchange for, *inter alia*, dismissal of the litigation with prejudice and releases of claims by Plaintiffs and the Settlement Class as set forth in the Settlement Agreement – was arrived at by good faith arm’s-length negotiations by highly experienced counsel, after years of litigation, and upon a developed litigation record. The Settlement falls within the range of reasonable and possibly approvable settlements, and is hereby preliminarily approved, subject to further consideration at the Fairness Hearing described below.

IV. Approval of the Plan of Notice to the Settlement Class

4. The proposed forms of notice to Settlement Class Members of the pendency of this Class Action and the proposed Settlement thereof, including the Mailed Notice and the Publication Notice (the “Notices”), and the proposed methods of notice dissemination described in the Preliminary Approval Brief and the Notice Plan satisfy the requirements of Rule 23(e) of the Federal Rules of Civil Procedure and due process of law, are otherwise fair and reasonable, and therefore are approved.

V. Appointment of the Settlement Administrator

5. The Court appoints _____ to serve as the Settlement Administrator to assist Class Counsel in disseminating the notice and, if applicable, with administering class

member claims, distributing Notices and claim forms, assisting in the computation of claimant allocation amounts, and doing all that is reasonably necessary to administer the Settlement. Class Counsel shall submit to the Court for approval all reasonable expenses incurred by the Settlement Administrator out of the Settlement Fund in accordance with the Settlement Agreement.

VI. The Settlement Schedule and the Final Fairness Hearing

6. A hearing on final approval (the “Fairness Hearing”) shall be held before this Court on _____, 2014, at _____ [a.m./p.m.], in Courtroom 2503, Everett McKinley Dirksen United States Courthouse, 219 South Dearborn Street, Chicago, IL 60604. At the Fairness Hearing, the Court will consider, *inter alia*:

- a. whether the Settlement Class meets the requirements for final certification for settlement purposes under Fed. R. Civ. P. 23;
- b. the fairness, reasonableness and adequacy of the Settlement and whether the Settlement should be finally approved;
- c. whether the Notices and Notice Plan satisfied the requirements of Fed. R. Civ. P. 23 and due process;
- d. whether the Court should award attorneys’ fees (if applied for) and approve reimbursement of expenses to Class Counsel, and in what amount(s);
- e. whether the Court should approve a proposed plan of allocation and distribution of settlement proceeds, if one is submitted; and
- f. whether entry of a final judgment terminating this litigation with respect to Gerdau should be entered.

The Fairness Hearing may be rescheduled or continued; in this event, the Court will furnish all counsel with appropriate notice. Class Counsel shall be responsible for communicating any such notice promptly to the Settlement Class by posting conspicuous notice on the settlement website.

7. Class Counsel and the Settlement Administrator shall provide notice to the Settlement Class substantially in accordance with the forms and schedule set forth in the Notice Plan.

8. Any request for exclusion from the Settlement Class must be delivered to the Settlement Administrator on or before _____, 2014. All requests for exclusion must be in writing and include: (i) the Settlement Class member's name, mailing address, email address and telephone number; (ii) a request to opt out of the Settlement; (iii) the case name and number: *In re Steel Antitrust Litigation*, Case No. 08-cv-5214, United States District Court for the Northern District of Illinois, Eastern Division (Judge Zagel); and (iv) a statement certifying membership in the Settlement Class.

9. Any Objection to the Settlement or Class Counsel's expense petition shall be filed in this Court (directed to the Clerk of the United States District Court for the Northern District of Illinois, Eastern Division, Everett McKinley Dirksen United States Courthouse, 219 South Dearborn Street, Chicago, IL 60604), and served via U.S. Mail on the following counsel, on or before _____, 2014:

NATHAN P. EIMER
EIMER STAHL LLP
224 S. Michigan Ave.
Suite 1100
Chicago, IL 60604

JEFFREY S. ISTVAN
FINE, KAPLAN AND BLACK, R.P.C.
One South Broad Street, 23rd Fl.
Philadelphia, PA 19107

Any such Objection shall include a Summary Statement outlining the position(s) to be asserted and the grounds therefor together with copies of any supporting papers or briefs.

10. Any Settlement Class member who wishes to appear in person and be heard at the Fairness Hearing must file a Notice of Intention to Appear on or before _____, 2014.

11. All persons and entities who fail to file an Objection and/or Notice of Intention to Appear as well as a Summary Statement as provided above shall be deemed to have waived any objections and will not be heard at the Fairness Hearing.

12. Plaintiffs' motion for final settlement approval, an affidavit of compliance with the Notice Plan, any motions for attorneys' fees and/or reimbursement of expenses, and any proposed plan of allocation and distribution that Class Counsel wish to be considered at the Fairness Hearing, shall be filed within seven (7) days of the Fairness Hearing and shall be posted on the settlement website in accordance with the Notice Plan.

VII. Administrative Matters

13. The pendency of the proposed Settlement shall not affect the litigation schedule in this matter in any way; provided, however, that all deadlines as against Settling Defendant are suspended. In the event that the Settlement does not become final, the Parties to the Settlement will return to litigation of this Action as if the Settlement had never happened, with the Parties to the Settlement bound by all Orders of the Court regardless of the date of entry, and the Settlement Agreement, the Settlement, and all related proceedings shall, except as expressly provided to the contrary in the Settlement Agreement, become null and void, and shall have no further force and effect; Plaintiffs and the Settlement Class shall retain full rights to assert any

and all causes of action against Gerdau and any other released party, and Gerdau and any other released parties shall retain any and all defenses and counterclaims thereto.

14. Any capitalized terms not defined herein shall have the meaning ascribed to them in the Settlement Agreement.

SO ORDERED this ____ day of _____, 2014.

Honorable James B. Zagel
United States District Judge

EXHIBIT B

UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

**IN RE: STEEL ANTITRUST
LITIGATION**

Case No. 08-cv-5214

Honorable James B. Zagel

**THIS DOCUMENT RELATES TO
ALL DIRECT PURCHASER ACTIONS:**

Standard Iron Works v. ArcelorMittal, et al.,
Case No. 08-cv-5214

Wilmington Steel Processing Co., Inc. v.
ArcelorMittal, et al., Case No. 08-cv-5371

Capow, Inc. d/b/a Eastern States Steel v.
ArcelorMittal, et al., Case No. 08-cv-5633

Alco Industries, Inc. v. ArcelorMittal, et al.,
Case No. 08-cv-6197

Gulf Stream Builders Supply, Inc. v.
ArcelorMittal, et al., Case No. 10-cv-4236

**[PROPOSED] ORDER AND JUDGMENT APPROVING SETTLEMENT AND
DISMISSING WITH PREJUDICE GERDAU AMERISTEEL CORPORATION, AND
ORDER AWARDING ATTORNEYS' FEES AND/OR REIMBURSEMENT OF
EXPENSES**

The Court, having considered (a) [final approval motion]; (b) [brief in support of motion]; (c) [declarations, if any, in support of motion]; (d) [motion for fees, if any, and for reimbursement of expenses]; (e) [brief in support of fee/expense motion]; (f) [declarations, if any, in support of fee/expense motion]; (g) any and all comments and objections from members of the Settlement Class; and (h) any responses thereto; and having held a hearing on _____, 2014 and considered all of the submissions and arguments with respect

thereto, pursuant to Rules 23 and 54 of the Federal Rules of Civil Procedure, and in accordance with the terms of the Settlement Agreement between Plaintiffs and Gerdau Ameristeel Corporation (“Gerdau” or “Settling Defendant”), it is hereby ORDERED, ADJUDGED AND DECREED that the Motions are GRANTED as follows:

1. The Court has personal jurisdiction over all Settlement Class members and has subject matter jurisdiction over this Action, including, without limitation, jurisdiction to approve and enforce the Settlement Agreement, to grant final certification to the Settlement Class for settlement purposes, and to dismiss the Action with prejudice as to Gerdau.

2. Based on the record before the Court, including the Order Preliminarily Approving Settlement with Gerdau Ameristeel Corporation and Authorizing Dissemination of Notice ("Preliminary Approval Order"), the submissions in support of the Settlement, and any objections and responses thereto, the Court finds that all requirements of Fed. R. Civ. P. 23(a) and (b)(3) have been satisfied, and hereby certifies for settlement purposes the following Settlement Class:

All persons (excluding Defendants, their present and former parents, subsidiaries, affiliates, joint ventures, co-conspirators and government entities) who Purchased Steel Products directly from any of the defendants in *Standard Iron Works v. ArcelorMittal, et al.*, Case No. 08-C-5214, or their subsidiaries or controlled affiliates at any time between April 1, 2005 and December 31, 2007 (“the Settlement Class Period”) for delivery in the United States.

For purposes of the class definition, the terms “Steel Products” and “Purchased” are more specifically defined as follows:

“Steel Products” are defined as products derived from raw carbon steel and sold directly by any of the Defendants or their subsidiaries or controlled affiliates in the United States, including all carbon steel slabs, plates, sheet and coil products, galvanized and other coated sheet products; billets, blooms, rebar, merchant bar, beams and other structural shapes; and all other steel products derived from raw carbon steel and sold by Defendants except as specifically excluded below.

“Steel Products” specifically exclude the following product categories: stainless steel; grain-oriented electrical steel; tin mill products; clad plate (i.e., nickel, stainless or copper

clad plate); steel pipe and other tubular products; “special bar quality” products; wire rod and other wire products; grinding balls; fabricated rebar products; fabricated steel joist, decking, fence posts and other fabricated building products; welded steel blanks; and steel products purchased under toll processing agreements.

The term “Purchased” includes all transactions for which pricing was negotiated during the class period and delivery was received during the class period. The class definition also includes transactions for which a sales contract was negotiated before the class period but (i) delivery was received during the class period and (ii) the actual transaction price under the contract was adjusted (or indexed) based on market pricing that prevailed during the class period.

See Settlement Agreement ¶ 1. The Settlement Class excludes the Settlement Class members listed on the attached **[exhibit listing opt-outs]**.

3. The Court finds that the requirements of Rule 23 are satisfied for settlement purposes, as follows:

- a. Pursuant to Rule 23(a)(1), the Court determines that the Settlement Class members are ascertainable from the reasonably accessible records available to Plaintiffs’ Counsel and Defendants and that Settlement Class members are so numerous that their joinder before the Court would be impracticable.
- b. Pursuant to Fed. R. Civ. P. 23(a)(2) and 23(c)(1)(B), the Court determines that Plaintiffs have alleged one or more questions of fact or law common to the Settlement Class, including whether Defendants violated federal antitrust law by allegedly engaging in coordinated production cuts in order to raise, maintain or stabilize prices above competitive levels with respect to certain steel products.
- c. Pursuant to Rule 23(a)(3), the Court determines that the Plaintiffs’ claims are typical of the claims of the proposed Settlement Class. Plaintiffs allege on behalf of the Settlement Class the same manner of injury from the same course of conduct that they complain of themselves, and Plaintiffs assert on their own behalf the same legal theory that they assert for the Settlement Class;

- d. Pursuant to Rule 23(a)(4), the Court determines that Plaintiffs will fairly and adequately protect the interests of the Settlement Class. Plaintiffs' interests do not conflict with the interests of absent members of the Settlement Class. All of the Settlement Class members share a common interest in proving Defendants' alleged anticompetitive conduct, and all Settlement Class members share a common interest in recovering the overcharge damages sought in the Complaints. Moreover, any Settlement Class member that wishes to opt out has been given an opportunity to do so. Furthermore, Plaintiffs have demonstrated the ability and incentive to represent the Settlement Class in this case, given the vigor with which they have prosecuted this action.
- e. Pursuant to Rule 23(b)(3), the Court determines that, in connection with and in light of the proposed Settlement, common questions of law and fact predominate over questions affecting only individual members. In light of the class-wide claims, issues, and defenses involved, the issues in this action that are subject to generalized proof, and thus applicable to the Settlement Class as a whole, predominate over those issues that are subject only to individualized proof.
- f. Also pursuant to Rule 23(b)(3), the Court determines that, in connection with and in light of the proposed Settlement, a class action is superior to other available methods for the fair and efficient adjudication of this action. The Court believes it is desirable, for purposes of judicial and litigation efficiency, to concentrate the claims of the Settlement Class in a single action. The Court also believes that the class is manageable, particularly in light of the Settlement approved in this Order.

4. In accord with the above findings, named Plaintiffs Standard Iron Works, Wilmington Steel Processing Co., Inc., Capow, Inc. d/b/a Eastern States Steel, Alco Industries, Inc., and Gulf Stream Builders Supply, Inc., (collectively, “Plaintiffs”), are hereby appointed as representatives of the Settlement Class.

5. Pursuant to Fed. R. Civ. P. 23(c)(1)(B) and 23(g), the Court having considered the factors provided in Rule 23(g)(1)(A), the following counsel (whom this Court previously appointed as interim Co-Lead Counsel for the Class) are hereby appointed as Co-Lead Counsel for the Settlement Class (“Settlement Class Counsel”):

KELLOGG, HUBER, HANSEN, TODD,
EVANS, & FIGEL, P.L.L.C.
Sumner Square
1615 M Street, N.W., Suite 400
Washington, DC 20036

FINE, KAPLAN AND BLACK, R.P.C.
One South Broad St., 23rd Fl.
Philadelphia, PA 19107

6. In accordance with the Preliminary Approval Order, notice of the proposed Settlement has been provided to the Settlement Class in the manner directed by the Court. *See* **[declaration of claims administrator or notice publisher]**. Such notice to Settlement Class members is hereby determined to be fully in compliance with the requirements of Fed. R. Civ. P. 23(e) and due process of law and is found to be the best notice practicable under the circumstances and to constitute due and sufficient notice to all persons and entities entitled thereto.

7. This Order shall have no force or effect on the persons or entities, if any, who have validly and timely requested exclusion from the Settlement Class. The only persons or entities that have requested exclusion from the Settlement Class are those listed on **[exhibit listing opt-outs]**.

8. Due and adequate notice of the proceedings having been given to the Settlement Class and a full opportunity having been offered to the Settlement Class to participate in the Fairness Hearing, it is hereby determined that all Settlement Class members, except those who have validly and timely requested exclusion from the Settlement Class, on behalf of themselves and their respective past, present, direct and indirect parents, subsidiaries, affiliates, predecessors and successors, and the past and present officers, directors, employees, agents, insurers, attorneys, shareholders, joint ventures, partners, and representatives, as well as the predecessors, successors, heirs, executors, administrators, and assigns of each of the foregoing (“Releasors”) have fully, finally, and forever released, discharged and covenanted not to sue Settling Defendant, its past and present, direct and indirect parents, subsidiaries, affiliates, predecessors and successors, and the past and present officers, directors, employees, agents, insurers, attorneys, shareholders, joint ventures, partners, and representatives, as well as the predecessors, successors, heirs, executors, administrators, and assigns of each of the foregoing (“Released Parties”) from all claims, actions, causes of action, lawsuits, damages, liabilities, costs, expenses, whether class or individual in nature, whether known or unknown, foreseen or unforeseen, existing in the past, existing in the present or arising in the future, that were or could have been alleged in this Action, including those arising under any federal, state, or foreign antitrust law, unfair competition, unfair practices, price discrimination, unitary pricing, unjust enrichment, contract, or trade practice law (“Released Claims”). Each Releasor shall not, hereafter, sue or otherwise seek to establish liability against any Released Party based in whole or in part on any Released Claims.

In addition, each Releasor has waived and released any and all provisions, rights, or benefits conferred by section 1542 of the California Civil Code, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor;

and any law of any state or territory of the United States, or principle of common law, which is similar, comparable or equivalent to section 1542 of the California Civil Code. Each Releasor may hereafter discover facts other than or different from those which he, she or it knows or believes to be true with respect to the Released Claims. Nevertheless, each Releasor has waived and fully, finally and forever settled and released, the Released Claims, whether any Released Claim is known or unknown, suspected or unsuspected, contingent or non-contingent, concealed or hidden, without regard to the subsequent discovery or existence of such different or additional facts. Each Releasor further has forever waived and relinquished any and all rights and benefits existing under any law or principle of law in any jurisdiction that would limit or restrict the effect or scope of the provisions of the release set forth above without regard to the subsequent discovery or existence of other or different facts.

The Releases set forth herein shall not release any claims, whether pending or not, whether known or unknown, for product liability, personal injury, breach of warranty, breach of contract, nor shall they release claims under the Uniform Commercial Code or any other claims whatsoever that are not related to the subject matter of the Complaint.

9. Pursuant to Rule 23(e) of the Federal Rules of Civil Procedure, the Court hereby grants final approval of the settlement on the basis that the settlement is fair, reasonable, and adequate as to, and in the best interests of, all Settlement Class members and is in compliance with all applicable requirements of the Federal Rules of Civil Procedure. In reaching this conclusion, the Court is satisfied that the settlement was fairly and honestly negotiated, as it was the result of vigorous arm's-length negotiations undertaken in good faith by counsel with significant experience

litigating antitrust class actions, and that serious questions of law and fact exist such that the value of an immediate recovery outweighs the mere possibility of future relief after protracted and expensive litigation. The Court gives weight to the parties' judgment that the settlement is fair and reasonable, as well as to the Settlement Class members' reaction to the settlement.

10. **[To be included if attorneys' fees are requested.]** Settlement Class Counsel has moved for an award of attorneys' fees. See **[fee petition, if any]** and **[declaration in support, if any]**. After appropriate notice to the Settlement Class of the motion for attorneys' fees, and upon consideration of the motion and all related submissions and argument, and the response of the Settlement Class thereto; now therefore pursuant to Rules 23(h)(3) and 54(d) of the Federal Rules of Civil Procedure, this Court awards Settlement Class Counsel \$_____ **[or _____% of the Settlement Fund]** as attorneys' fees, which this Court finds to be within the applicable range of reasonable percentage-of-the-fund awards. Settlement Co-Lead Counsel at their sole discretion shall allocate the fees and expenses among all of the Class Counsel. The fee award is supported, *inter alia*, by the following findings of fact and conclusions of law: the Settlement confers a monetary benefit on the Class that is substantial, both in absolute terms and when assessed in light of the risks of establishing liability and damages in this case; Class Counsel have effectively and efficiently prosecuted this difficult and complex action on behalf of the members of the Class for several years, reasonably expending many thousands of hours, with no guarantee they would be compensated; the Settlement achieved for the benefit of the Class was obtained as a direct result of Class Counsel's skillful advocacy; and the Settlement was reached following negotiations held in good-faith and in the absence of collusion.

11. Settlement Class Counsel has moved for reimbursement of litigation expenses out of the Settlement Fund. After appropriate notice to the Settlement Class of the motion for reimbursement of litigation expenses, and upon consideration of the motion and all related

submissions and argument, and the response of the Settlement Class thereto; now therefore pursuant to Rules 23(h)(3) and 54(d) of the Federal Rules of Civil Procedure, this Court awards Settlement Class Counsel \$_____ out of the Settlement Fund to reimburse them for expenses incurred in the prosecution of this lawsuit, which expenses the Court finds to be fair and reasonably incurred to achieve the benefits to the Settlement Class obtained in the Settlement, as well as the continued litigation of this Action against non-settling Defendants.

12. By separate Order, the Court will consider any proposed plan of allocation and distribution of the Settlement Fund submitted by Settlement Class Counsel.

13. The court finds that the Settlement Fund is a “qualified settlement fund” as defined in section 1.468B-1(c) of the Treasury Regulations in that it satisfies each of the following requirements:

- a. The Settlement Fund is established pursuant to an order of this Court and is subject to the continuing jurisdiction of this Court;
- b. The Settlement Fund is established to resolve or satisfy one or more claims that have resulted or may result from an event that has occurred and that has given rise to at least one claim asserting liabilities; and
- c. The assets of the Settlement Fund are segregated from other assets of Gerdau, the transferor of payments to the Settlement Fund.

14. Under the “relation-back” rule provided under section 1.468B-1(j)(2)(i) of the Treasury Regulations, the Court finds that:

- a. The Settlement Fund met the requirements of paragraphs 13 (a) and (b) of this Order prior to the date of this Order approving the establishment of the Settlement Fund subject to the continued jurisdiction of this Court; and

- b. Gerdau and the Claims Administrator may jointly elect to treat the Settlement Fund as coming into existence as a “qualified settlement fund” on the later of the date the Settlement fund met the requirements of paragraphs 13(a) and (b) of this Order or January 1 of the calendar year in which all of the requirements of paragraph 13 of this Order are met. If such a relation-back election is made, the assets held by the Settlement Fund on such date shall be treated as having been transferred to the Settlement Fund on that date.

15. This Order and the Settlement Agreement do not settle or compromise any claims by Plaintiffs or Settlement Class members against any party other than the Released Parties as defined in the Release. All rights of any Settlement Class member against any person or entity other than Gerdau and other Released Parties for sales made by Gerdau are specifically reserved by Plaintiffs and the Settlement Class members. Gerdau’s sales of Steel Products in the United States shall remain the subject of damages and/or joint and several liability claims in the Action against defendants other than Gerdau, and/or against any future defendants other than Gerdau and the other Released Parties.

16. The Settlement Agreement and/or any act performed or document executed pursuant to the Settlement Agreement is not, may not be deemed, and may not be used in this Action or any other civil, criminal or administrative proceeding as evidence of, an admission of liability or wrongdoing on the part of any person or entity, including but not limited to Settling Defendant and other Released Parties.

17. Without affecting the finality of this Order, the Court retains exclusive jurisdiction over: (a) the enforcement of this Order; (b) the litigation between Plaintiffs and defendants other than Settling Defendant; (c) the administration and enforcement of the Settlement Agreement; and (d) the administration and distribution of the Settlement Fund.

18. In the event the Settlement does not become Final in accordance with the Settlement Agreement, this Order and Final Judgment shall be rendered null and void as provided by the Settlement Agreement, shall be vacated, and all orders entered and releases delivered in connection herewith shall be null and void to the extent provided by and in accordance with the Settlement Agreement.

19. The Court hereby directs that this judgment be entered by the clerk forthwith pursuant to Federal Rule of Civil Procedure 54(b). The direction of the entry of final judgment pursuant to Rule 54(b) is appropriate and proper because this judgment fully and finally adjudicates the claims of the Plaintiffs and the Settlement Class against the Settling Defendant in this Action, allows consummation of the Settlement, and will expedite the reimbursement of expenses from the Settlement Fund. In accordance with the terms of the Settlement Agreement, this Order is final and appealable.

20. Terms Capitalized in this Order and not defined herein have the same meaning as those used in the Settlement Agreement.

SO ORDERED this the ____ day of _____, 2014.

Honorable James B. Zagel
United States District Judge

EXHIBIT 4

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS**

**If you bought Steel Products from one or more Defendants
between April 1, 2005 and December 31, 2007,
you may be affected by a Class Action Settlement.**

A Federal Court authorized this Notice. This is not a solicitation from a lawyer.

- Partial settlements have been reached in a class action lawsuit involving certain steel products (“Steel Products”). Defendants Commercial Metals Company (“CMC”), AK Steel Holding Corporation (“AK Steel”), and Gerdau Ameristeel Corporation (“Gerdau”) (collectively, the “Settling Defendants”), will pay a total of approximately \$15.9 million into a Settlement Fund.
- The lawsuit alleges that the Settling Defendants conspired with other Defendant steel manufacturers to manipulate the supply and price of Steel Products sold in the United States. Plaintiffs allege that Defendants conspired to restrict their output, therefore increasing the prices they were able to charge for Steel Products.
- The Settling Defendants deny the allegations against them, deny that they engaged in a conspiracy or did anything wrong, and have asserted a number of defenses, but they have nevertheless agreed to settle to avoid the cost of continued litigation and a trial.
- The litigation will continue against the other Defendants: ArcelorMittal, ArcelorMittal USA, Inc., United States Steel Corporation (“U.S. Steel”), Nucor Corporation (“Nucor”), Steel Dynamics, Inc., and SSAB Swedish Steel Corporation (“SSAB”) (collectively the “Non-Settling Defendants”).
- If you bought Steel Products directly from one or more of the Defendants for delivery in the United States between April 1, 2005 and December 31, 2007, you could be a Settlement Class Member. See Questions 5-6 for the complete class definition.
- If you are a Settlement Class member, your legal rights will be affected whether you act or you don’t act. This notice includes information about the Settlements and the litigation. Please read the entire notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING	You do not have to take any action now to participate in the Settlements. You will be eligible to submit a claim at a later date to receive money from the Settlements, and you will retain your rights in the continuing litigation against the Non-Settling Defendants. See Questions 8-9 below.
EXCLUDE YOURSELF FROM THE SETTLEMENTS	You will not be eligible for any benefits from the Settlements, but you will retain any rights you currently have to sue the Settling Defendants yourself about the claims in this case. You also will retain your rights in the continuing litigation against the Non-Settling Defendants. See Questions 10-14 below.
OBJECT TO THE SETTLEMENTS	Write to the Court explaining why you don't like the Settlements. See Questions 15-16 below.
GO TO THE FAIRNESS HEARING	Ask to speak in Court about your opinion of the Settlements. See Questions 20-22 below.

- These rights and options – **and the deadlines to exercise them** – are explained in this Notice.

BASIC INFORMATION

1. What is this lawsuit about?

Eight steel manufacturers, ArcelorMittal, Nucor, U.S. Steel, Gerdau, AK Steel, Steel Dynamics, SSAB and CMC ("Defendants") were sued by several businesses ("Plaintiffs") who allege that the Defendants conspired, in violation of the U.S. antitrust laws, to restrict their output and therefore raise or "fix" the prices for Steel Products sold for delivery in the United States between April 1, 2005 and December 31, 2007 (the "Class Period"). The Plaintiffs are: Standard Iron Works, Wilmington Steel Processing Co., Inc., Capow, Inc. d/b/a Eastern States Steel, Alco Industries, Inc., and Gulf Stream Builders Supply, Inc.

The Plaintiffs' lawsuits were consolidated into one lawsuit in the United States District Court for the Northern District of Illinois. The case is called *In re Steel Antitrust Litigation*, and the Court's file number is 08-cv-5214. The complaints allege that the Defendants violated the U.S. antitrust laws by conspiring to slow down their furnace production, thus restricting their output of raw steel and causing artificially higher prices for Steel Products.

The Defendants deny the allegations and believe they have full and complete defenses. There has not yet been a determination of the merits of the case.

2. What is a class action?

The Plaintiffs have asked the Court to appoint them as the representatives of a class of all entities that purchased Steel Products (defined in Questions 5-6 below) during the Class Period. In a Class Action, one or more people or businesses, called class representatives, sue on behalf of themselves and others who have similar claims. All of those who have claims similar to the class representatives are class members, except for those who are excluded or who exclude themselves from the class (see Questions 5-6 and 10-14). The Court has not yet decided whether to certify this lawsuit as a Class Action.

3. Why are there settlements?

Plaintiffs' Counsel have investigated the facts and law regarding the Plaintiffs' and Settlement Class's claims and the Settling Defendants' defenses. The parties engaged in lengthy, detailed negotiations to reach these Settlements. The Class Representatives and Plaintiffs' Counsel recommend the Settlements as being in the best interests of the Settlement Class.

The Settling Defendants (CMC, AK Steel and Gerdau) deny the allegations against them, deny that they engaged in a conspiracy or did anything wrong, and have asserted a number of defenses, but they have nevertheless agreed to settle to avoid the cost of further litigation and trial.

If the Settlements are approved, the Settling Defendants will no longer be Defendants in the lawsuit. If the Settlements are not approved, the Settling Defendants will remain in the case and Plaintiffs will continue to pursue the claims asserted against them.

4. How do the Settlements affect the claims against the Non-Settling Defendants?

The Plaintiffs' claims against the Non-Settling Defendants (ArcelorMittal, US Steel, Nucor, Steel Dynamics and SSAB) will continue to be prepared for trial or other judicial resolution whether or not the Settlements are approved.

WHO IS IN THE SETTLEMENTS?

5. How do I know if I am part of the Settlement Class?

The Settlement Class is defined to include:

All persons (excluding Defendants, their present and former parents, subsidiaries, affiliates, joint ventures, co-conspirators and government entities) who Purchased Steel Products directly from any of the Defendants or their subsidiaries or controlled affiliates at any time between April 1, 2005 and December 31, 2007 (the "class period") for delivery in the United States. For purposes

of the class definition, the terms “Steel Products” and “Purchased” are more specifically defined as follows:

“**Steel Products**” are defined as products derived from raw carbon steel and sold directly by any of the Defendants or their subsidiaries or controlled affiliates in the United States, including all carbon steel slabs, plates, sheet and coil products, galvanized and other coated sheet products; billets, blooms, rebar, merchant bar, beams and other structural shapes; and all other steel products derived from raw carbon steel and sold by Defendants except as specifically excluded below.

“**Steel Products**” specifically exclude the following product categories: stainless steel; grain-oriented electrical steel; tin mill products; clad plate (i.e., nickel, stainless or copper clad plate); steel pipe and other tubular products; “special bar quality” products; wire rod and other wire products; grinding balls; fabricated rebar products; fabricated steel joist, decking, fence posts and other fabricated building products; welded steel blanks; and steel products purchased under toll processing agreements.

The term “**Purchased**” includes all transactions for which pricing was negotiated during the class period and delivery was received during the class period. The class definition also includes transactions for which a sales contract was negotiated before the class period but (i) delivery was received during the class period and (ii) the actual transaction price under the contract was adjusted (or indexed) based on market pricing that prevailed during the class period.

6. What does it mean to purchase “directly” from the Defendants?

The Settlement Class is limited to persons or entities that purchased “directly” from any of the Defendants at any time during the class period. A direct purchase is made directly from one or more of the Defendants themselves or their subsidiaries or controlled affiliates. A purchase from an intermediary, such as a distributor, is not a direct purchase.

THE SETTLEMENT BENEFITS

7. What do the Settlements provide?

The Settling Defendants have agreed to pay a total of approximately \$15.9 million for the benefit of the Settlement Class. Gerdau will pay \$6,100,000; AK Steel will pay \$5,800,000; and CMC will pay \$3,999,999. This money will be put into a Settlement Fund to be distributed at a later time.

At this time, it is not known how much each Settlement Class Member will receive from the Settlements, or when payments will be made. At an appropriate time, possibly in conjunction with future settlements, Plaintiffs’ Counsel will propose, subject to the Court’s approval, a plan to allocate and distribute the Settlement Fund, net of the costs of notifying the class and administering the settlement, and any attorneys’ fees and/or expense reimbursement awarded by the Court (see Question 18), among Settlement Class Members. It is common in cases like this

one for the proceeds of settlements to be distributed on a *pro rata* basis, by calculating and comparing the dollar amounts of claimants' purchases of affected products, or estimated overcharge amounts, or qualified claims. As part of the Court's later consideration of the proposed plan of allocation and distribution, Settlement Class Members will have an opportunity to comment on and/or object to the proposed plan.

Please keep all documentation that shows your purchases of Steel Products during the relevant time period for use in filing a claim later. Having documentation may be important to filing a successful claim.

Also as part of the Settlements, the three Settling Defendants will cooperate with Plaintiffs as they continue to prosecute this lawsuit against the five Non-Settling Defendants.

REMAINING IN THE SETTLEMENT CLASS

8. How do I remain in the Settlement Class?

If you qualify as a Settlement Class member, you don't need to do anything to remain a member of the Settlement Class. By staying in the Settlement Class, you will remain eligible to submit a claim at a later date to receive money from the Settlements, and you will retain your rights in the continuing litigation against the Non-Settling Defendants.

9. If I remain in the Settlement Class, what am I giving up?

If the Settlements are approved and become final, you will give up your right to sue the Settling Defendants over the matters at issue in this lawsuit. The specific claims you are giving up against the Settling Defendants and their affiliates are described in the Settlement Agreements. Unless you exclude yourself, you are "releasing" those claims, whether or not you later submit a claim. The three Settlement Agreements are available at www.SteelAntitrustSettlement.com or by contacting the Class Administrator as directed below. The specific claims you are releasing are described in Paragraph 12 of each of the Settlement Agreements.

By remaining in the Settlement Class, you do not give up any of your rights as against the Non-Settling Defendants.

EXCLUDING YOURSELF FROM THE SETTLEMENT CLASS

10. What if I don't want to be in the Settlement Class?

If you decide to exclude yourself from, or "opt out" of, the Settlement Class, you will be free to sue the Settling Defendants on your own for the claims being resolved by these Settlements. However, you will not receive any money from the Settlements, and Plaintiffs' Counsel will no longer represent you with respect to any claims against the Settling Defendants. [Plaintiffs' Counsel will, however, continue to represent you in the continuing litigation against the Non-Settling Defendants.] If you want to receive money from the Settlements, do not exclude yourself.

11. How do I exclude myself from the Class?

You can exclude yourself, or “opt out,” by sending a written “Request to Opt Out” to the Settlement Administrator so that it is postmarked no later than _____. Your written request must include:

- Your name, address, telephone number, and e-mail address.
- All trade names or business names and addresses used by you or your business, as well as any parents, subsidiaries, or affiliates that directly purchased Steel Products from any of the Defendants at any time between April 1, 2005 and December 31, 2007.
- A signed statement that, “I/we hereby request that I/we be excluded from the proposed Settlement[s] with CMC, AK Steel and Gerdau [choose one, two or all three] in *In re Steel Antitrust Litigation*, No. 08-5214 (N.D. Ill.).”
- The case name and number: *In re Steel Antitrust Litigation*, No. 08-5214.

You must mail your exclusion request, postmarked no later than _____, to:

Settlement Class Administrator:

Steel Antitrust Litigation
c/o GCG
P.O. Box 9349
Dublin, OH 43017-4249

12. If I don’t exclude myself from the Settlement Class, can I sue the Settling Defendants for the same thing later?

Unless you exclude yourself, you give up the right to sue the Settling Defendants about the issues in this lawsuit. You give up this right even if later you don’t submit a claim and don’t receive the monetary benefits of the Settlements. You must exclude yourself from the Class in order to sue a Settling Defendant separately.

You will have no right to object to the Settlements if you exclude yourself from the Settlement Class.

If you elect to stay in the Settlement Class, you need not do anything now.

These Settlements have no effect on your ability to sue the Non-Settling Defendants separately.

13. If I exclude myself from the Settlement Class, can I still get a benefit from the Settlements?

No. You will not get any monetary benefits from the Settlements if you exclude yourself from the Settlements.

14. If I exclude myself from the Settlements, can I change my mind later?

No. Unless the Court approves a special request, once you exclude yourself, you may not participate in the Settlements.

OBJECTING TO THE SETTLEMENTS

15. How do I tell the Court that I don't like the Settlements?

If you are a member of the Settlement Class, and if you do not exclude yourself from the Settlement Class, you may object to all or part of the Settlements or Plaintiffs' Counsel's request for reimbursement of expenses.

To object, you must send a letter that includes the following:

- Your name, address, telephone number, and e-mail address.
- A statement saying that you object to one or more of the Settlements (and identifying which one[s]), and/or the request for reimbursement of expenses, in *In re Steel Antitrust Litigation*, No. 08-cv-5214 (N.D. Ill.).
- Proof of your membership in the Settlement Class.
- The reasons you object to the Settlement[s] along with any supporting materials, including any legal support and any evidence to support your objection.
- Your signature.

You must submit your objection, no later than _____, to each of the following addresses:

Clerk of Court
United States District Court for the
Northern District of Illinois
Everett McKinley Dirksen
United States Courthouse
219 South Dearborn Street
Chicago, IL 60604

Plaintiffs' Counsel:

FINE, KAPLAN AND BLACK, R.P.C.
Attn: Jeffrey S. Istvan
One South Broad Street, 23rd Floor
Philadelphia, PA 19107

**KELLOGG, HUBER, HANSEN,
TODD, EVANS & FIGEL, P.L.L.C.**

Attn: Michael J. Guzman
Sumner Square
1615 M Street, NW, Suite 400
Washington, DC 20036

If by the _____ deadline you do not object to the Settlements or Plaintiffs' Counsel's request for reimbursement of expenses as instructed above, you will be deemed to have waived your right to object.

16. What's the difference between objecting and opting out?

Objecting is simply telling the Court that you don't like something about a Settlement. You can object to a Settlement only if you remain in the Settlement Class and do not exclude yourself from the Settlement. Excluding yourself from a Settlement is telling the Court that you don't want to be a part of the Settlement or the Settlement Class. If you exclude yourself from a Settlement, you have no right to object to the Settlement because it no longer affects you.

THE LAWYERS REPRESENTING YOU

17. Do I have a lawyer in this case?

The Court has appointed the firms listed below ("Plaintiffs' Counsel") as Interim Co-Lead Class Counsel in this case:

FINE, KAPLAN AND BLACK, R.P.C. One South Broad Street, 23 rd Floor Philadelphia, PA 19107	KELLOGG, HUBER, HANSEN, TODD, EVANS & FIGEL, P.L.L.C. Sumner Square 1615 M Street, NW, Suite 400 Washington, DC 2003
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Plaintiffs' Counsel will represent you and other members of the Settlement Class. You will not be charged for these lawyers. They will be paid by asking the Court at a later time for a share of the settlement proceeds or recovery obtained. If you want to be represented by your own lawyer, you may hire one at your own expense.

18. How will the lawyers be paid?

The Court will decide how much Plaintiffs' Counsel will be paid. Plaintiffs' Counsel do not intend to submit a request for attorneys' fees at this time. They do intend to submit a request for reimbursement from the Settlement Funds of out-of-pocket costs they have incurred in prosecuting this case on behalf of the Class, not to exceed \$5.5 million. These costs consist

primarily of expert witness fees, expenses incurred in taking depositions and conducting discovery (primarily electronic discovery), hearing expenses, and other like expenses. At a later time, perhaps in conjunction with future settlements, Plaintiffs' Counsel may file a petition for attorneys' fees and/or reimbursement of further expenses from the proceeds of these Settlements.

19. Should I get my own lawyer?

You do not need to hire your own lawyer, but if you hire a lawyer to speak for you or appear in Court, your lawyer must file a Notice of Appearance (see Question 22). If you hire your own lawyer, you will have to pay for that lawyer at your own expense.

THE COURT'S FINAL APPROVAL HEARING

20. When and where will the Court decide whether to approve the Settlements?

The Court will hold a Final Approval Hearing at ____ [a.m./p.m.] on _____, 2014, in Courtroom 2503, Everett McKinley Dirksen United States Courthouse, 219 South Dearborn Street, Chicago, IL 60604. The hearing may be moved to a different date or time without additional notice, so please check www.SteelAntitrustSettlement.com for any schedule updates.

At this hearing, the Court will consider whether the Settlements are fair, reasonable, and adequate. The Court also will consider Plaintiffs' Counsel's request for reimbursement of litigation expenses. If there are objections, the Court will consider them at that time.

At or after the hearing, the Court will decide whether to approve the Settlements and the request for reimbursement of litigation expenses. The Court's decision may be appealed.

21. Do I have to come to the Final Approval Hearing?

No. Attendance is not required. Plaintiffs' Counsel is prepared to answer questions on your behalf. If you send an objection, you don't have to come to Court to talk about it. Class members who objected may (but do not have to) appear at the Final Approval Hearing, in person or through an attorney hired at their own expense.

22. May I come to the Final Approval Hearing?

Yes, anyone can attend the Final Approval Hearing and watch. If you want to appear at the Final Approval Hearing and object, in person or through an attorney hired at your own expense, you need to mail a written Notice of Intent to Appear to the three addresses listed in Question 15 by _____, 2014. The Notice of Intent to Appear must contain the following information:

- The name, address, telephone number and email address of the Class Member and, if applicable, the name, address and telephone number of the Class Member's attorney (who must file a Notice of Appearance with the Court);

- The objection, including any supporting papers, and;
- The name and address of any witnesses to be presented at the Final Approval Hearing, together with a statement as to the matters on which they wish to testify and a summary of the proposed testimony.

GETTING MORE INFORMATION

23. How do I get more information?

This Notice summarizes the Settlements. More details are in the Settlement Agreements. You can get complete copies of the Settlement Agreements at www.SteelAntitrustSettlement.com. You may also write to the Settlement Administrator at the address in Question 11, or call the Settlement Administrator at 1-800-231-1815.

If you did not receive this Notice in the mail from the Settlement Administrator, you can contact the Settlement Administrator and register to receive future information.

Complete copies of public pleadings, Court rulings and other filings are available for review and copying at the Clerk's office. The address is United States District Court for the Northern District of Illinois, Everett McKinley Dirksen United States Courthouse, 219 South Dearborn Street, Chicago, IL, 60604.

Please do not contact the Court or the Judge.

EXHIBIT 5

Legal Notice

If you bought Steel Products from one or more Defendants between April 1, 2005 and December 31, 2007, you may be affected by three Class Action Settlements.

What are the Settlements about?

Eight steel manufacturers, ArcelorMittal, Nucor Corporation, United States Steel Corporation, Gerdau Ameristeel Corporation, AK Steel Holding Corporation, Steel Dynamics, SSAB Swedish Steel Corporation and Commercial Metals Company (collectively, “Defendants”) were sued by several businesses (“Plaintiffs”) who allege that the Defendants conspired, in violation of the U.S. antitrust laws, to restrict their output and therefore raise or “fix” the prices for certain steel products sold for delivery in the United States between April 1, 2005 and December 31, 2007.

Settlements have been reached with three of the Defendants: Commercial Metals Company, AK Steel Holding Corporation, and Gerdau Ameristeel Corporation. These “Settling Defendants” collectively will pay \$15.9 million into a Settlement Fund. The Settling Defendants deny the allegations. The litigation is continuing against the other five Defendants.

Who is a Settlement Class Member?

You are a Settlement Class Member if you Purchased certain Steel Products directly from any of the Defendants or their subsidiaries or controlled affiliates at any time between April 1, 2005 and December 31, 2007 for delivery in the United States.

In general, “Steel Products” include carbon steel slabs, plates, sheet and coil products, galvanized and other coated sheet products; billets, blooms, rebar, merchant bar, beams and other structural shapes; and other steel products derived from raw carbon steel and sold by Defendants. The terms “Steel Products” and “Purchased” are more specifically defined in the full Notice and the Settlement Agreements.

Will I get a payment?

If you are a Settlement Class Member and do not opt out, you will be eligible to file a claim at a later date to receive money from the Settlements.

What are my rights?

If you are a Settlement Class Member and do not opt out, you will release certain legal rights against the Settling Defendants, as set forth in the full Notice and in the Settlement Agreements. If you do not want to take part in the Settlements, you have the right to opt out. To opt out of the Settlements, you must do so by **Month XX**, 2014. Settlement Class Members have the right to object to the Settlements. If you want to object, you must do so by **Month XX**, 2014. Information on how to opt out or object to the Settlements is contained in the full Notice and at www.SteelAntitrustSettlement.com. You may speak to your own attorney at your expense for help.

When is the Approval Hearing?

A Final Approval Hearing to consider approval of the Settlements and Plaintiffs' request for reimbursement of litigation expenses is scheduled to be held in Courtroom 2503, Everett McKinley Dirksen United States Courthouse, 219 South Dearborn Street, Chicago, IL 60604, on **Month, XX**, 2014, at **XX am/pm**. You may appear at the hearing, but your attendance is not required. The date and location for this hearing may be changed on further Order of the Court.

This is a Summary, where can I get more information?

You can get complete settlement information, including a copy of the full Notice and the Settlement Agreements, by visiting www.SteelAntitrustSettlement.com.