

**UNITED STATES DISTRICT COURT
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

**PLAINTIFFS' UNOPPOSED MOTION FOR PRELIMINARY APPROVAL OF
SETTLEMENT WITH UNITED STATES STEEL CORPORATION, CONDITIONAL
CERTIFICATION OF A SETTLEMENT CLASS, AND APPROVAL OF NOTICE,
SUMMARY NOTICE 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 settlement with United States Steel 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 settlement to the Class; and

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

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

Dated: July 8, 2014

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that on this 8th day of July, 2014, I caused a true and correct copy of the foregoing **PLAINTIFFS' UNOPPOSED MOTION FOR PRELIMINARY APPROVAL OF SETTLEMENT WITH UNITED STATES STEEL CORPORATION, CONDITIONAL CERTIFICATION OF A SETTLEMENT CLASS, AND APPROVAL OF NOTICE, SUMMARY NOTICE AND 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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FOR THE NORTHERN DISTRICT OF ILLINOIS**

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**MEMORANDUM OF LAW IN SUPPORT OF PLAINTIFFS' UNOPPOSED MOTION
FOR PRELIMINARY APPROVAL OF SETTLEMENT WITH UNITED STATES
STEEL CORPORATION, CONDITIONAL CERTIFICATION OF A SETTLEMENT
CLASS, AND APPROVAL OF NOTICE, SUMMARY NOTICE AND NOTICE PLAN**

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INTRODUCTION

Plaintiffs have reached a Settlement with United States Steel Corporation (hereinafter referred to as “U. S. Steel” or “Settling Defendant”) for \$58,000,000. As described below, this Settlement is fair, reasonable and adequate, and it satisfies 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 Settlement entered into by Plaintiffs, on their own behalf and on behalf of the proposed Settlement Class, and U. S. Steel; (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 notice of the proposed Settlement to the Class; and (iv) setting a date for a hearing on final approval of the Settlement (the “Fairness Hearing”), and deadlines for opting out, objecting to and commenting on the Settlement.

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 unlawfully conspired to restrict the output of steel products in the United States, in violation of

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-cv-5214; *Wilmington Steel Processing Co., Inc. v. ArcelorMittal, et al.*, No. 08-cv-5371; *Capow, Inc. v. ArcelorMittal, et al.*, No. 08-cv-5633; *MPM Display, Inc. v. ArcelorMittal, et al.*, No. 08-cv-5700; *REM Sys., Inc. v. ArcelorMittal, et al.*, No. 08-cv-5942; *Alco Indus. Inc. v. ArcelorMittal, et al.*, No. 08-cv-6197; and *Gulf Stream Builders Supply, Inc. v. ArcelorMittal, et al.*, No. 10-cv-4236. The *MPM Display* and *REM Systems* cases were voluntarily dismissed.

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' motion to dismiss on June 12, 2009, Dkt. No. 170, after which discovery commenced. Class certification discovery (which included some discovery into the merits) took several years to complete, with the parties producing millions of pages of documents and computerized data for more than 30 million transactions involving steel products. A total of 12 expert reports or witness declarations were submitted in connection with class certification, and the relevant witnesses were deposed.

On May 24, 2012, Plaintiffs filed their pending motion for class certification. Dkt. No. 305. Briefing on that motion (and Defendants' corresponding *Daubert* motions) was completed in January 2014, followed by a three-day hearing on the *Daubert* and class certification issues. The Court denied Defendants' *Daubert* motions at the close of the hearing, Dkt. No. 470, and the parties subsequently filed proposed findings of fact and conclusions of law relating to class certification. Dkt. Nos. 479 and 480.

Prior to the conclusion of the class certification hearing, Plaintiffs entered into settlements with three defendants: CMC, AK Steel, and Gerdau, for a total of \$15.9 million. The Court granted preliminary approval of those settlements on April 11, 2014, Dkt. No. 469, and notice was sent to the class via first class mail, as well as through publication. The opt out and objection deadline was June 16, 2014 for the CMC, AK Steel and Gerdau settlements, and the final fairness hearing is scheduled for July 10, 2014.

Plaintiffs then entered into a settlement with ArcelorMittal S.A. and ArcelorMittal USA LLC (collectively "ArcelorMittal") for \$90 million. The Court granted preliminary approval of that settlement on June 13, 2014, Dkt. No. 493, and notice has been mailed to the class and is

being published in accordance with the Court's preliminary approval order. The objection and opt out deadline is August 19, 2014, for the ArcelorMittal settlement, and the final fairness hearing is scheduled for October 17, 2014.

THE SETTLEMENT

The proposed Settlement with U. S. Steel was the product of extensive good-faith, arm's-length negotiations. Over a period of months, Class Counsel engaged in many discussions with counsel for U. S. Steel, culminating in the compromises embodied in the attached Settlement Agreement, Ex. 1 hereto. The Agreement provides that U. S. Steel will pay the Settlement Class \$58 million in cash (the "Settlement Amount"), to be deposited into an escrow account within 10 business days after preliminary approval. Once deposited, the Settlement Amount will be invested in United States Treasury bills 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 Amount) will become part of the Settlement Fund. *Id.* None of the terms of the Settlement are conditioned upon whether, or how many, members of the Settlement Class choose to exclude themselves by opting out.

The Settlement also requires U. S. Steel to provide information to assist in prosecuting the case against the remaining Defendants, including the production of documents relating to the merits and making executive-level witnesses available for interviews and testimony.

The Settlement binds U. S. Steel, 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 (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. Settlement Agreement ¶

1. The terms “steel products” and “purchased” are defined more specifically below.

The Agreement releases U. S. Steel (and its 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. Settlement Agreement ¶ 13. U. S. Steel’s 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.”); *accord Redman v. RadioShack Corp.*, 11-C-6741, 2014 WL 497438, at *3 (N.D. Ill. Feb. 7, 2014). Indeed, “[i]t is axiomatic that the federal 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.” *Armstrong v. Bd. of Sch. Directors of City of Milwaukee*, 616 F.2d 305, 312-13 (7th Cir. 1980), *overruled on other grounds by Felzen v. Andreas*, 134 F.3d 873 (7th Cir. 1998) (internal citations omitted).

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, 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*, 616 F.2d at 314. 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-C-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 Settlement here meets this standard.

II. THE SETTLEMENT IS FAIR AND REASONABLE.

At the fairness hearing, the Court will have the discretion under Rule 23(e) to finally approve the Settlement if the Court finds it to be fair, adequate, and reasonable to the Class. The Seventh Circuit has identified several factors to consider in evaluating the fairness of a class action settlement, including “the strength of plaintiffs’ case compared to the amount of defendants’ settlement offer, an assessment of the likely complexity, length and expense of the litigation, an evaluation of the amount of opposition to settlement among affected parties, the opinion of competent counsel, and the stage of the proceedings and the amount of discovery completed at the time of the settlement.” *Synfuel Technologies v. DHL Express (USA)*, 463 F.3d 646, 653 (7th Cir. 2006) (quoting *Isby*, 75 F.3d at 1199); *see also Pearson v. NBTY, Inc.*, No. 11-cv-7972, 2014 WL 30676, *2 (N.D. Ill. Jan. 3, 2014). 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 Settlement. As noted above, at this preliminary-approval stage, the Court’s task merely is to determine if the Settlement is within the range of possible approval such that the Settlement Class should be notified. *See Armstrong*, 616 F.2d at 314.

In making this determination, and ultimately the determination of whether the proposed Settlement is 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 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, U. S. Steel has made clear that, absent the Settlement, it would contest all aspects of the case vigorously, including class certification, liability and damages. Though Plaintiffs believe their case to be strong, complex antitrust litigation is inherently risky and costly, and there is always some chance that Plaintiffs may not prevail. *See In re AT&T*, 270 F.R.D. at 347. Plaintiffs still face the hurdle of class certification, including the possibility of appeal under Rule 23(f). After class certification, Plaintiffs face the risks of litigation on the merits, including summary judgment, *Daubert* motions, trial, and likely appeals of a successful verdict and judgment. And even if Plaintiffs were to win at every subsequent stage, continued litigation would delay recovery for years. Settlement eliminates the risk of litigation vis-à-vis U. S. Steel, 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 Settlement demonstrates that it is fair, reasonable, and adequate. First, \$58 million is a substantial sum, which will provide a meaningful cash benefit for the approximately 5,500 members of the class. Moreover, all of U. S. Steel’s sales will remain in the case for purposes of litigating against the non-settling

defendants, meaning class members will retain the right to recover full damages (including damages on class period sales made by U. S. Steel) 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 Settlement provides a substantial cash benefit without substantially diminishing the “net expected value of continued litigation” against the remaining defendants. *See Synfuel*, 463 F.3d at 653 (citing *Reynolds v. Beneficial Nat’l Bank*, 288 F.3d 277, 284-85 (7th Cir. 2002)).²

Second, the settlement requires U. S. Steel to produce information valuable to the continued prosecution of the case, including executive-level phone records, travel and expense records, documents relating to communications with other Defendants, and more. *See Settlement Agreement* ¶ 18. U. S. Steel has agreed to authenticate certain business records for purposes of trial; to make several witnesses available for interviews and/or testimony; and to help Plaintiffs in locating former employees for the same purposes. *Id.* These provisions will be helpful to the class in litigating against the non-settling Defendants. *See, e.g., In re Lawnmower Engine Horsepower Mktg. & Sales Practices Litig.*, 733 F. Supp. 2d 997, 1009 (E.D. Wis. 2010)

² 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 focuses on the estimated class recovery discounted by the risks of litigating. *Id.* (noting that a “ballpark valuation” is usually the best one can do). But the analysis here is different, because the case will continue against the non-settling 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 settlement does not diminish the net expected value of the case, while providing a meaningful guaranteed recovery for the Class.

(such provisions can (i) provide plaintiffs with valuable information about the operation of the alleged conspiracy without the delay of discovery, (ii) enable plaintiffs to better prepare for depositions and (iii) enhance the plaintiffs' settlement leverage against the remaining defendants); *In re Packaged Ice Antitrust Litig.*, 08-MD-01952, 2010 WL 3070161, at *4 (E.D. Mich. Aug. 2, 2010) ("Courts approving partial settlements in antitrust class actions recognize the significant value of cooperation"); *In re Pressure Sensitive Labelstock Antitrust Litig.*, 584 F. Supp. 2d 697, 702 (M.D. Pa. 2008) (same); *In re Linerboard Antitrust Litig.*, 292 F. Supp. 2d 631, 643 (E.D. Pa. 2003) (recognizing that such terms can provide a "substantial benefit" to cartel plaintiffs); *Bell Atl. Corp. v. Bolger*, 2 F.3d 1304, 1311 (3d Cir. 1993) ("Despite the difficulties they pose to measurement, nonpecuniary benefits ... may support a settlement.").

Third, unlike many class action settlements of this size, the \$58 million U. S. Steel has agreed to pay will not be reduced or diluted, even if substantial numbers of class members opt out or choose not to participate in the distribution. Instead, those class members who remain in the Class will receive proportionally more. Nor is there an opt-out threshold above which U. S. Steel can terminate the Settlement. In other words, the deal will hold, regardless of opt-outs.

"[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 U. S. Steel chose to settle only after extensive discovery. At this stage, there can be no question that Plaintiffs' counsel have a clear view of the strengths and weaknesses of the claims on which to base an evaluation of the Settlement. Moreover, the Settlement followed months of arm's-length negotiations among experienced counsel, creating a presumption that the 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 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”).³ After litigating this case for more than five years, counsel for the Class have developed deep familiarity with the factual and legal issues and the risks associated with continued litigation. Based on this experience, Plaintiffs’ counsel believe that this Settlement is fair, reasonable, and adequate in light of the circumstances.

In sum, the proposed Settlement is the product of serious, informed, non-collusive negotiations that occurred 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 demonstrates that this Settlement is well “within the range of possible approval.” *Armstrong*, 616 F.2d at 310. For this and all of the foregoing reasons, the Settlement warrants the Court’s preliminary approval.

³ *See also Hispanics United of DuPage Count v. Village of Addison*, 988 F. Supp. 1130, 1170 (N.D. Ill. 1997); *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, at *8 (N.D. Ill. July 26, 2011); *Fisher Bros. v. Cambridge-Lee Indus., Inc.*, 630 F. Supp. 482, 489 (E.D. Pa. 1985).

III. THE SETTLEMENT FUND AND PLAN OF ALLOCATION

Under the terms of the Settlement, monies from the Settlement Fund will be used, first, to pay for reasonable expenses associated with the costs of giving notice and administering the Settlement Fund.

Second, Class Counsel will seek reimbursement of any previously-unreimbursed expenses incurred in prosecuting this litigation to date.⁴ See proposed Notice (attached as Ex. 2) (describing to the Class these proposed uses of the Settlement Fund).

Third, Class Counsel intend to submit to the Court a single petition for attorneys' fees not to exceed one-third of the total settlement proceeds obtained to date (*i.e.*, the proceeds of the U. S. Steel, ArcelorMittal, Gerdau, AK Steel and CMC settlements).⁵

⁴ Class Counsel have requested reimbursement for the vast majority of their litigation expenses out of the earlier CMC, Gerdau and AK Steel settlement funds. The additional amount of litigation expenses to be requested out of the ArcelorMittal and U. S. Steel funds will be relatively small, consisting primarily of firm-specific expenses for travel, copying, etc.

⁵ "Courts throughout the Seventh Circuit routinely ... conclude that a one-third contingency fee is standard" in class actions. *City of Greenville v. Syngenta Crop Prot., Inc.*, 904 F. Supp. 2d 902, 909 (S.D. Ill. 2012). *Accord In re ShagrinGas Co. v. BP Products*, No. 1:06-cv-03621, Dkt. No. 209 (N.D. Ill. June 24, 2010) (Zagel, J.) (crediting plaintiffs' evidence "that the market range for legal service in a contingency matter such as this ... is 30-33%"); *In re Plasma-Derivative Protein Therapies Antitrust Litig.*, 1:09-cv-07666, Dkt. No. 693 (N.D. Ill. Jan. 22, 2014) (awarding 33 1/3% attorneys' fees in similar antitrust class action); *Schulte v. Fifth Third Bank*, 805 F. Supp. 2d 560, 598 (N.D. Ill. 2011) ("common-fund cases from within the Seventh Circuit show that an award of 33.3% of the settlement fund is within the reasonable range."); *Retsky Family Ltd. Partnership v. Price Waterhouse LLP*, No. 97 C 7694, 2001 WL 1568856, at *4 (N.D. Ill. Dec. 10, 2001) (in a complex class action, "[a] customary contingency fee would range from 33 1/3% to 40%"); *Goldsmith v. Tech. Solutions Co.*, 92 C 4374, 1995 WL 17009594, at *8 (N.D. Ill. Oct. 10, 1995) ("courts in this District commonly award attorneys' fees equal to approximately one-third or more of the recovery"); *In re Ready-Mixed Concrete Antitrust Litig.*, 1:05-CV-00979-SEB, 2010 WL 3282591, at *3 (S.D. Ind. Aug. 17, 2010) (approving fee of one-third of common fund). See also *In re Fasteners Antitrust Litig.*, CIV.A. 08-MD-1912, 2014 WL 296954, at *7 (E.D. Pa. Jan. 27, 2014) ("Co-Lead Counsel's request for one third of the settlement fund is consistent with other direct purchaser antitrust actions"); *In re*

Finally, in connection with final approval of the ArcelorMittal and U. S. Steel Settlements, Class Counsel intend to submit a proposed plan of allocation for the distribution of the Net Joint Settlement Fund, *i.e.*, the sum of the five settlement funds, less the court-awarded costs, fees and litigation expenses described above, to members of the Settlement Class.

As described in the proposed Notice (attached as Exhibit 2), Class Counsel intend to propose that the Net Joint Settlement Fund be distributed to class members *pro rata* in proportion to the dollar amount of their purchases of Steel Products during the class period, a standard framework used in similar antitrust class actions.⁶ To assist class members in submitting claims, Class Counsel will propose the following process: (1) after final approval of the relevant Settlements, personalized claim forms will be mailed directly to all class members whose addresses can be identified from Defendants' previously produced transaction data; (2)

Titanium Dioxide Antitrust Litig., 10–CV–00318(RDB), 2013 WL 6577029, at *1 (D. Md. Dec. 13, 2013) (awarding attorneys' fees of one-third of settlement fund); *In re Flonase [Direct Purchaser] Antitrust Litig.*, 951 F. Supp. 2d 739, 748-52 (E.D. Pa. 2013) (same); *In re Southeastern Milk Antitrust Litig.*, No. 2:08–MD–1000, 2013 WL 2155387, at *8 (E.D. Tenn. May 17, 2013) (same); William B. Rubenstein, *Newberg on Class Actions* § 14:6 (4th ed.) (“Empirical studies show that ... fee awards in class actions average around one-third of the recovery”).

⁶ See, e.g., *In re Aftermarket Filters Antitrust Litig.*, No. 08-cv-4883, Dkt. No. 1082 Order at p.2 (N.D. Ill. Mar. 20, 2014) (ordering *pro rata* distribution of settlement funds); *In re Plasma-Derivative Protein Therapies Antitrust Litig.*, 1:09-cv-07666, Dkt. No. 703 (N.D. Ill. Apr. 16, 2014) (approving *pro rata* Plan of Allocation, as described in Dkt. No. 696, Ex. 1, paras. 18-19); *In re Brand Name Prescription Drugs Antitrust Litig.*, No. 94 C 897, 1999 WL 639173, at *4 (N.D. Ill. Aug. 17, 1999) (approving *pro rata* distribution); *In re Flonase [Direct Purchaser] Antitrust Litig.*, 951 F. Supp. 2d at 752 (same); *In re Ins. Brokerage Antitrust Litig.*, 297 F.R.D. 136, 143 (D.N.J. 2013) (same); *In re Static Random Access Memory (SRAM) Antitrust Litig.*, 4:07-MD-01819-CW, 2013 WL 2928177 (N.D. Cal. June 13, 2013) (same); *In re Flonase [Indirect Purchaser] Antitrust Litig.*, 291 F.R.D. 93, 103, 107 (E.D. Pa. 2013) (same); *In re Payment Card Interchange Fee & Merch. Disc. Antitrust Litig.*, No. 05-MD-1720 (JG), 2013 WL 6510737, at *27 (E.D.N.Y. Dec. 13, 2013) (same); *In re Packaged Ice Antitrust Litig.*, 08-MDL-01952, 2011 WL 6209188, at *15 (E.D. Mich. Dec. 13, 2011) (same).

each class member's claim form will include a tabulation of that class member's eligible purchases based on the data produced by Defendants in discovery; (3) class members will be asked to (a) sign and return the claim form if they accept the tabulation, or (b) submit their own data if they disagree with the tabulation; (4) all such submissions will be evaluated and, if appropriate, class members' eligible purchase amounts will be updated; (5) each class member's *pro rata* share of the Net Joint Settlement Fund will be calculated based on all the validated claim forms returned by class members; and (6) the Net Joint Settlement Fund will be distributed to class members on that *pro rata* basis. See proposed Notice (attached as Ex. 2) (describing this process).

This process is designed to make claiming as easy and efficient as possible for all class members. Class members need only sign and return their personalized claim form to recover, unless they disagree with the amount of purchases attributed to them by the transaction records produced by Defendants. By directly mailing pre-tabulated claim forms to all class members who reasonably can be found, the goal is to minimize the need for class members to search and tabulate their own historical purchase records, while maximizing the total participation of class members. Based on this process, and the size of the settlement fund, it is expected that a high percentage of class members will recover—with many receiving substantial amounts. It should be noted, moreover, that once the settlement is finally approved, in no event will settlement proceeds revert to U. S. Steel after the claims process is complete.

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.

See Settlement Agreement ¶ 1.

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 and 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) (“The 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 met where “plaintiffs and all class members alleg[e] the same antitrust violations by defendants.” *In re Rubber Chemicals Antitrust Litig.*, 232 F.R.D. 346, 351 (N.D. Cal. 2005). *Accord In re Bromine Antitrust Litig.*, 203 F.R.D. 403, 409-10 (S.D. Ind. 2001) (discussing Seventh Circuit authority); *Owner-Operator Indep. Drivers Ass’n, Inc. v. Allied Van Lines, Inc.*, 231 F.R.D. 280, 282 (N.D. Ill. 2005) (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. *Bromine*, 203 F.R.D. at 409.

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 Co-Lead 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 who have survived Defendants' *Daubert* challenges, their effective negotiation of the proposed Settlement, and most recently, their 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, the defendants’ liability turns, first and foremost, on whether the plaintiffs can prove a conspiracy among the 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*, 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., Messner*, 669 F.3d 802 (7th Cir. 2012); Dkt. No. 389 (Plaintiffs' class certification reply brief demonstrating that antitrust impact and damages can be established using predominantly common proof).

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

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), Reply Memorandum of Law in Support of Class Certification (Dkt. No. 389), and Proposed Findings of Fact and Conclusions of Law relating to class certification (Dkt. No. 479).

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 were “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 “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. Following a notice plan that this Court has already approved for the previous four settlements, Class Counsel propose to send copies of the Notice (attached hereto as Ex. 2) by first class mail to all persons and entities identified from Defendants’ transactional data

as direct purchasers during the Settlement Class Period. As with notice of the previous settlements, the vast majority of class members will receive the Notice through this mailing.⁸

In addition, Class Counsel propose that a Summary Notice (attached hereto as Ex. 3) 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, Dkt. No. 552 (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 website, www.SteelAntitrustSettlement.com, already is up and running, as a result of the notice program from the previous settlements. Documents relating to this Settlement will be added to the website.

The Notice and Summary Notice. The contents of the proposed Notice (Ex. 2 hereto) and Summary Notice (Ex. 3 hereto) also satisfy the applicable requirements. Both the Notice and Summary Notice apprise Class members of the background of the litigation, the material terms of the Settlement, and the available procedures and related deadlines. These include how a Class member may exclude itself from the Settlement Class or object to the Settlement's terms.

⁸ The Class Administrator estimates that the notice from the previous settlements has reached more than 90% of class members via first class mail.

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. It is expected that the list of journals will be substantially similar to the ones from the previous settlements.

The Summary Notice informs Settlement Class members how to obtain the longer-form Notice; and 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 Settlement. Further, the Notice advises Settlement Class members of the ways in which Class Counsel propose to use the Settlement Fund: (i) to pay reasonable expenses associated with the costs of giving notice and administering the Settlement Fund; (ii) to reimburse Class Counsel for expenses incurred in prosecuting this litigation; (iii) for attorneys' fees not to exceed one third of the total settlements obtained to date; and (iv) for distribution to the Settlement Class on a *pro rata* basis.

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 Rules 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 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, the Notice will be sent by first class mail to all potential Settlement Class members for whom Class Counsel

and the Settlement 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 Settlement Administrator (*see* n.9 above) at the time the Notice is mailed or as soon thereafter as is feasible.

c. Any requests for exclusion from the Settlement Class must be received by the Settlement Administrator no later than September 10, 2014.

d. Any objections, 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 U. S. Steel no later than September 10, 2014.

e. 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 for October 17, 2014, at 11:00 a.m. – the same date and time as the final approval hearing for the ArcelorMittal settlement.¹¹

f. No later than fifteen days before the final approval hearing, Class Counsel will

¹⁰ Plaintiffs propose that The Garden City Group, Inc., which was appointed to administer the prior settlements in this litigation (see Dkt. No. 469), be appointed to serve as the Settlement Administrator to assist Class Counsel in doing all that is reasonably necessary to administer the Settlement that is the subject of the present motion. The Garden City Group, Inc. estimates that it will take less than three weeks after approval of the Notice and Notice Plan to effectuate the mailing.

¹¹ The proposed timeline suggested here allows for a joint hearing on final approval for the ArcelorMittal and U. S. Steel Settlements on the date previously set by the Court for the ArcelorMittal settlement (October 17, 2014). Dkt. No. 493. Plaintiffs' Counsel believe that this schedule is appropriate and feasible for the U. S. Steel Settlement, given that no time needs to be built into the schedule to allow for the exercise of a termination option, as had to be done with the ArcelorMittal settlement. In other words, the Class can be notified promptly after preliminary approval regarding the terms of the U. S. Steel Settlement, with a deadline of September 10 for any objections and opt outs, followed by Plaintiffs' filing of final approval papers no later than fifteen days before the October 17, 2014 hearing.

file motions and supporting materials requesting (i) permission to pay the reasonable costs of notice and settlement administration, (ii) reimbursement of litigation expenses, (iii) attorneys' fees, and (iv) approval of any proposed plan of allocation for distribution of the Net Joint Settlement Fund to the Settlement Class that Plaintiffs wish to have considered at the final approval hearing.

g. As soon as practicable after entry of an order(s) granting final approval and establishing a plan of allocation, the Settlement Administrator will mail pre-tabulated claim forms to all class members for whom address information is known. *See* page 11-12, *supra* (describing process). Class members will have 45 days from the date of that mailing to review and return the claim forms and any supplemental information they would like to be considered. As soon as practicable thereafter, Class Counsel and the Settlement Administrator will calculate each class member's *pro rata* share of the Net Settlement Fund, and distribute the Fund accordingly.

CONCLUSION

For the reasons stated, Plaintiffs respectfully request that the Court grant their motion for preliminary approval of the U. S. Steel Settlement, conditionally certify the settlement class, and authorize dissemination of notice, in the form and manner described above, to the Class.

Dated: July 8, 2014

Respectfully submitted,

Michael K. Kellogg
Mark C. Hansen
Michael J. Guzman
Steven F. Benz
**KELLOGG, HUBER, HANSEN, TODD,
EVANS & FIGEL, P.L.L.C.**

/s/ Jeffrey S. Istvan
Roberta D. Liebenberg
Donald L. Perelman
Jeffrey S. Istvan
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Liaison Counsel for Plaintiffs and the Proposed Class

CERTIFICATE OF SERVICE

I hereby certify that on July 8, 2014, I caused a true and correct copy of **PLAINTIFFS' MEMORANDUM OF LAW IN SUPPORT OF PLAINTIFFS' UNOPPOSED MOTION FOR PRELIMINARY APPROVAL OF SETTLEMENT WITH UNITED STATES STEEL CORPORATION, CONDITIONAL CERTIFICATION OF A SETTLEMENT CLASS, AND APPROVAL OF NOTICE, SUMMARY NOTICE AND NOTICE PLAN** to be filed and served electronically with the Clerk of the Court using the CM/ECF system which will send notification of such filing to all registered users.

/s/ Jeffrey S. Istvan
Jeffrey S. Istvan

EXHIBIT 1

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

IN RE: STEEL ANTITRUST LITIGATION

Case No. 08-cv-5214

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

Hon. 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.
ArcelorMittal, et al., Case No. 10-cv-4236

SETTLEMENT AGREEMENT

This Settlement Agreement is made and entered into as of the 7th day of July, 2014, by United States Steel Corporation (“US Steel” 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, among other things, that defendants unlawfully agreed to restrict the output of steel products in the United States, in violation of the Sherman Act, 15 U.S.C. § 1 et seq. (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 Reed Smith LLP and Neal, Gerber & Eisenberg LLP (collectively, “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

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.

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 risk, 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;

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, expenses or fees 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 ("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, and if it approves the Settlement, 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 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 members of the Settlement Class 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 members of the Settlement Class who can be identified through reasonable efforts, and if necessary (ii) by publication to all members of the Settlement Class in selected media.

5. Rights of Exclusion. Members of the Settlement Class shall have the right to exclude themselves from the Settlement Class pursuant to the procedures set forth in the Notice and by the date set therein. Each member of the Settlement Class that does not file a timely written request for exclusion in accordance with the procedures set forth in the Notice, or that files such a request and rescinds it, shall be bound by all of the terms of this Settlement Agreement,

including the Release defined in Paragraph 13. Within ten (10) banking days of the conclusion of the period in which the members of the Settlement Class may file a written request for exclusion, Interim Co-Lead Class Counsel shall deliver to Defendant's Counsel all such requests received from parties otherwise eligible to be members of the Settlement Class and who have not rescinded such requests. Members of the Settlement Class 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.

6. 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 (the "Final Order and Judgment") finally approving the Settlement. Plaintiffs' Counsel may, at their sole discretion, also request from the Court an award of attorneys' fees and/or reimbursement of litigation costs and expenses, and/or incentive awards for the class representatives ("Incentive Awards"), to be paid out of the Settlement Fund. Settling Defendant will not oppose Plaintiffs' request for final approval of the Settlement; Settling Defendant will not oppose Plaintiffs' Counsel's request for an award of attorneys' fees and/or reimbursement of litigation expenses; and Settling Defendant will not oppose Plaintiffs' Counsel's request for incentive awards for the class representatives.

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

- a. Entry, as provided in Paragraph 6 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, and is, taken; or (iii) the Final Order and Judgment is

modified and finally entered and neither Settling Defendant nor Plaintiffs elect to terminate the Settlement Agreement pursuant to Paragraph 15 below.

8. 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 10. 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 members of the Settlement Class, 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 11(b). Notice and Administration Costs shall not include any amounts attributable to the Expense Amount as defined in Paragraph 11(c).

9. 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 fifty-eight (58) million U.S. dollars (\$58,000,000) (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 Interim Co-Lead Class 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, Incentive Awards, Notice and Administration Costs, Tax Expenses and any other costs of implementing the Settlement Agreement 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.

10. 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 Interim Co-Lead Class Counsel and Defendant's Counsel, in accordance with Paragraph 11(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 11(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.

11. 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 10 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 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"), and within five (5) banking days following written certification by Interim Co-Lead Class Counsel and counsel for Settling Defendant that the Effective Date (as defined in Paragraph 12 below) has occurred, the Attorneys' Fees and/or Expense Amount, or \$25 million, whichever is less, may be paid in accordance with the written instructions of Interim Co-Lead Class 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 Interim Co-Lead Class Counsel and Defendants' Counsel that the Settlement Agreement has become Final (as defined in Paragraph 7 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 Interim Co-Lead Class Counsel.

e. After entry of an order awarding Incentive Awards, and within five (5) banking days after receipt of written notification by Interim Co-Lead Class Counsel and Defendant's Counsel that the Settlement Agreement has become Final (as defined in Paragraph 7 above), any

Incentive Awards shall be paid in accordance with the written instructions of Interim Co-Lead Class Counsel.

f. Within five (5) banking days following written certification by Interim Co-Lead Class 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.

g. If funds remain in the Settlement Fund after payment of the amounts set forth in subparagraphs (a)-(e) above, then (i) after written certification by counsel for Settling Defendant and Interim Co-Lead Class Counsel that the Settlement is Final pursuant to Paragraph 7 hereof, and (ii) after receipt of an order of the Court approving distribution of the Settlement Fund to the Settlement Class, the remaining funds in the Settlement Fund 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.

h. Each member of the Settlement Class 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 member of the Settlement Class 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 or the Settlement.

i. 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 15 below, then (i)

Plaintiffs' Counsel shall reimburse the Settlement Fund within ten (10) days of 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 Interim Co-Lead Class 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.

j. 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.

12. Effective Date of Settlement Agreement. The Effective Date of this Settlement 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 Interim Co-Lead Class Counsel have executed this Settlement Agreement;
- b. The Preliminary Approval Order has been entered;
- c. The deadline for members of the Settlement Class to request exclusion from the Settlement has passed; and
- d. The Court has entered the Final Order and Judgment approving the Settlement.

13. Releases.

a. Upon the Effective Date, all members of 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”) 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 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, 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 member of the Settlement Class 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 member of the Settlement Class 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, or 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.

14. Reservation of Claims. This Settlement Agreement does not settle or compromise any claims by Plaintiffs or any member of the Settlement Class against any party other than the

Released Parties. The members of the Settlement Class 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 members of the Settlement Class have or may have against any other party or entity whatsoever, including but not limited to non-settling defendants 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 member of the Settlement Class 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 members of the Settlement Class. Sales of Steel Products by the Settling Defendant in the United States shall remain the subject of damages and joint and several liability claims in the Action against defendants other than Settling Defendant and against any future defendants other than the Released Parties.

15. 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 presented to it, 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, Expense Amount or Incentive Awards awarded by the Court from the Settlement Fund, or (ii) a proposed plan of allocation and/or distribution, shall not be 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.

16. Effect of Termination. If this Settlement Agreement is terminated pursuant to Paragraph 15, then (a) any Attorneys' Fees or Expense Amounts paid to Plaintiffs' Counsel shall be paid to the Settlement Fund in accordance with Paragraph 11(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 13 shall be of no force or effect; and (e) the Parties will return to litigation of this Action as if the Settlement Agreement 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.

17. 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.

18. Cooperation. Once the Settlement Agreement becomes final, Settling Defendant agrees to:

- a. Cooperate with Plaintiffs to authenticate and qualify as business records, if applicable, up to seventy-five (75) 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;
- b. Make current Settling Defendant officers Mario Longhi, David Sutherland, and up to two (2) additional current officers, directors or employees, to be selected by Plaintiffs, each available for one (1) interview of up to four (4) hours, at a time and place mutually agreed upon by Plaintiffs' Counsel and Defendant's Counsel regarding the facts alleged in this Action. Plaintiffs' Counsel agrees that counsel for Gerdau shall be given the option to participate in the interview of Mario Longhi. Plaintiffs' Counsel agrees that counsel for SSAB shall be given the option to participate in the interview of David Sutherland. Should Plaintiffs' Counsel elect to interview up to two (2) additional current officers, directors or employees, and if those individuals were employed by any other Defendant involved in this action at any time between April 1, 2005 and December 31, 2007, Plaintiffs' Counsel agrees that counsel for that Defendant shall be given the option to participate in the interview of its client's former employee. If counsel for such other Defendants participate in any of the interviews provided by this paragraph, any interview time used by such counsel shall be in addition to the four (4) hours afforded to Plaintiffs' Counsel;

- c. Accept service of subpoenas for depositions of each of the witnesses described in Paragraph 18(b) of this Agreement, provided the relevant witness remains a current officer, director or employee at the time of the subpoena. Plaintiffs' Counsel agrees that counsel for Gerdau shall be given the option to participate in the deposition of Mario Longhi. Plaintiffs' Counsel agrees that counsel for SSAB shall be given the option to participate in the deposition of David Sutherland. Should Plaintiffs' Counsel elect to depose up to two (2) additional current officers, directors or employees upon service to Settling Defendant under this Paragraph 18(c), and if those individuals were employed by any other Defendant involved in this action at any time between April 1, 2005 and December 31, 2007, Plaintiffs' Counsel agrees that counsel for that Defendant shall be given the option to participate in the deposition of its client's former employee;
- d. Nothing in this agreement restricts Plaintiffs' ability to contact other potential witnesses, or to take other depositions upon proper service;
- e. Use reasonable best efforts to (i) assist Plaintiffs in locating former employees reasonably identified by Plaintiffs as possessing knowledge relevant to the Action, and (ii) interview the following former employees regarding the facts alleged in the Action: John Surma, John Goodish, John Connelly and James Kutka, provided that each interview be limited to four (4) hours at a date, time and location convenient to the interviewee;
- f. Assist Plaintiffs in attempting to obtain phone records from carriers;
- g. With respect to documents that Defendant's Counsel has collected previously from Settling Defendant but has not produced in this Action, Settling Defendant will

produce all non-privileged documents that Defendant's Counsel has identified as potentially relevant to the Action, and all documents dated or prepared between January 1, 2005 and December 31, 2007 that are related to (1) trade association events, (2) any inter-defendant communications, (3) any planned or actual reductions in output at Settling Defendant's, or any other Defendant's, steel mills in the United States, and (4) phone records, travel and expense records, notes, journals, day planners, calendars, and similar documents for the custodians previously identified in the Action;

- h. Whether or not previously collected by Defendant's Counsel, Settling Defendant will produce all travel, expense and phone records (including office phone records and cell phone records) for the custodians previously identified in the Action;
- i. Any searches for electronically stored documents to be produced under this Paragraph 18 shall be conducted pursuant to reasonable search terms and protocols created and/or approved by Plaintiffs' Counsel; and
- j. Provide such further and other cooperation as is agreed by the Parties.

Documents identified as privileged using search terms agreed with Plaintiffs will be withheld from production. Should Plaintiffs identify any privileged document that has been inadvertently produced as a result of this Settlement Agreement, 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 reasonable best efforts to assist Plaintiffs in effecting the goals of this paragraph.

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

20. Consent to Jurisdiction. Settling Defendant, Plaintiffs, Defendant's Counsel, Plaintiffs' Counsel and the Settlement Class 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.

21. Resolution of Disputes: Retention of Jurisdiction. Any disputes between or among Settling Defendant, Plaintiffs, Plaintiffs' Counsel, Defendant's Counsel and any member of the Settlement Class 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.

22. 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, subject to Court approval.

23. 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.

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 comprises 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: July 7, 2014

SETTLING DEFENDANT:



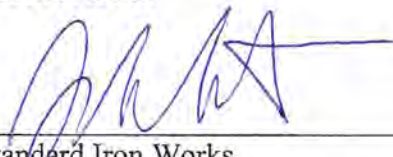
United States Steel Corp.

By:
Daniel I. Booker
Reed Smith LLP
225 Fifth Avenue
Pittsburgh, PA 15222

Jonathan S. Quinn
Neal, Gerber & Eisenberg LLP
Two North LaSalle Street, Suite 1700
Chicago, IL 60602

Defendant's Counsel

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
Fine, Kaplan and Black, R.P.C.
One South Broad Street, 23rd Floor
Philadelphia, PA 19107

Interim Co-Lead Class Counsel

**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.

- A partial settlement has been reached in a class action lawsuit involving certain steel products (“Steel Products”). Defendant United States Steel Corporation (“U. S. Steel”) has agreed to pay \$58 million to settle the claims made against it in this case.
- This settlement (called the “U. S. Steel Settlement” or “Settlement” in this Notice) is in addition to the \$105.9 million in settlements that previously were reached with Commercial Metals Company (“CMC”), AK Steel Holding Corporation (“AK Steel”), Gerdau Ameristeel Corporation (“Gerdau”), ArcelorMittal S.A. and ArcelorMittal USA, LLC (together “ArcelorMittal”), and brings the total settlements in this case to \$163.9 million. Notice of the CMC, AK Steel and Gerdau settlements was sent to you in early May 2014, and notice of the ArcelorMittal settlement was sent to you in early July 2014. Approval of those settlements is still pending. [Alternatively: The court has granted final approval of the CMC, AK Steel and Gerdau settlements. Approval of the ArcelorMittal settlement is still pending.] This Settlement does not affect the deadlines for the prior settlements in any way.
- The lawsuit alleges that U. S. Steel 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, thereby increasing the prices they were able to charge for Steel Products.
- U. S. Steel denies the allegations against it, denies that it engaged in a conspiracy or did anything wrong, and has asserted a number of defenses, but it has nevertheless agreed to settle to avoid the cost and risk of continued litigation and trial.
- The litigation will continue against the other remaining Defendants: Nucor Corporation (“Nucor”), Steel Dynamics, Inc. (“Steel Dynamics”), 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 Settlement 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 Settlement. You will be eligible to submit a claim at a later date to receive money from the Settlement, and you will retain your rights in the continuing litigation against the Non-Settling Defendants. See Questions 8-10 below.
EXCLUDE YOURSELF FROM THE SETTLEMENT	You will not be eligible for any benefits from the Settlement, but you will retain any rights you currently have to sue U. S. Steel yourself about the claims in this case. You also will retain your rights in the continuing litigation against the Non-Settling Defendants. See Questions 11-15 below.
OBJECT TO THE SETTLEMENT	Write to the Court explaining why you don’t like the Settlement. See Questions 16-17 below.
GO TO THE FAIRNESS HEARING	Ask to speak in Court about your opinion of the Settlement. See Questions 21-23 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 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 11-15). The Court has not yet decided whether to certify this lawsuit as a Class Action.

3. Why was there a settlement?

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

U. S. Steel denies the allegations against it, denies that it engaged in a conspiracy or did anything wrong, and has asserted a number of defenses, but it has nevertheless agreed to settle to avoid the cost and risk of further litigation and trial.

If the Settlement is approved, U. S. Steel will no longer be a Defendant in the lawsuit. If the Settlement is not approved, U. S. Steel will remain in the case and Plaintiffs will continue to pursue the claims asserted against it.

4. How does the Settlement affect the claims against the Non-Settling Defendants?

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

WHO IS IN THE SETTLEMENT?

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 a purchase that 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 does the Settlement provide, and how will the proceeds be allocated and distributed?

U. S. Steel has agreed to pay \$58 million into the Settlement Fund for the benefit of the Settlement Class. Together with the \$105.9 million in settlements with CMC, AK Steel, Gerdau, and ArcelorMittal, the U. S. Steel Settlement will bring the total amount of the Settlement Fund to \$163.9 million.

Plaintiffs' Counsel intend to propose the following plan for allocation and distribution of the Settlement Fund. After deducting attorneys' fees, expenses of the litigation and administrative costs (see Questions 18-19), if awarded by the Court, the remaining funds (the "Net Settlement Fund") will be distributed *pro rata* based on Class Members' purchases of Steel Products, to Class Members who file valid claims.

At this time, it is not known precisely when payment will be made. The final approval hearing for the CMC, AK Steel and Gerdau settlements took place [or: Final approval was granted] on July 10, 2014. The Final Approval Hearing for the ArcelorMittal and U. S. Steel Settlements is scheduled for October 17, 2014. If final approval of one or both of these settlements is granted, you will receive a claim form detailing the information the Class Administrator has obtained from Defendants about your Purchases of Steel Products, and describing how your share of the Net Settlement Fund will be calculated. At that time, you will have an opportunity to confirm, dispute and/or submit documents in support of your claim if you wish to do so. After the valid claims of all Class Members are tabulated, your *pro rata* share will be calculated.

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.

You will not be allowed to participate in any of the settlements from which you have excluded yourself. This means that if you choose to exclude yourself from the U. S. Steel Settlement (see Questions 11-15), and/or if you have already excluded yourself from any of the previous settlements (i.e., the CMC, AK Steel, Gerdau, and ArcelorMittal settlements), then your payment from the Net Settlement Fund will be reduced accordingly.

Also as part of the Settlement, U. S. Steel will cooperate with Plaintiffs as they continue to prosecute this lawsuit against the Non-Settling Defendants.

The Settlement Agreement, available at the website www.SteelAntitrustSettlement.com, contains more details about the Settlement.

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 Settlement, 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 Settlement is approved and becomes final, you will give up your right to sue U. S. Steel over the matters at issue in this lawsuit. The specific claims you are giving up against U. S. Steel and its affiliates are described in the Settlement Agreement. Unless you exclude yourself, you are "releasing" those claims, whether or not you later submit a claim. The Settlement Agreement is available at www.SteelAntitrustSettlement.com or by contacting the Settlement Administrator as directed below. The specific claims you are releasing are described in Paragraph 13 of the Settlement Agreement.

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

10. If I excluded myself from one or more of the earlier settlements with CMC, AK Steel, Gerdau, or ArcelorMittal am I still a member of the U. S. Steel Settlement Class?

If you meet the definition of a Settlement Class Member (defined in Question 5 above), then you are a member of the U. S. Steel Settlement Class. If you do not submit a timely request to be excluded from the U. S. Steel Settlement (see Questions 11-15), then you will remain a member of the U. S. Steel Settlement Class. Your membership in the U. S. Steel Settlement Class is unaffected by whether or not you have requested to be excluded from any of the prior settlements with CMC, AK Steel, Gerdau, or ArcelorMittal. As described in Question 7, however, your share of the Net Settlement Fund will be reduced if you opted out of any of the settlements.

EXCLUDING YOURSELF FROM THE SETTLEMENT CLASS

11. 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 U. S. Steel on your own for the claims being resolved by this Settlement. However, you will not receive any money from the Settlement, and Plaintiffs' Counsel will no longer represent you with respect to any claims against U. S. Steel. 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 Settlement, do not exclude yourself.

12. 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 with U. S. Steel in *In re Steel Antitrust Litigation*, No. 08-5214 (N.D. Ill.)."

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

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

13. If I don't exclude myself from the Settlement Class, can I sue U. S. Steel for the same thing later?

Unless you exclude yourself, you give up the right to sue U. S. Steel 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 Settlement. You must exclude yourself from the Class in order to sue U. S. Steel separately.

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

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

This Settlement has no effect on your ability to sue the Non-Settling Defendants separately.

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

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

15. If I exclude myself from the Settlement, can I change my mind later?

Before the exclusion deadline (_____), yes, you may rescind a decision to exclude yourself. In order to do so, you must submit a signed statement that "I/we hereby rescind my/our request to be excluded from the proposed Settlement with U. S. Steel in *In re Steel Antitrust Litigation*, No. 08-5214 (N.D. Ill.)." You should enclose a copy of your previously submitted request for exclusion.

After the exclusion deadline, no. Unless the Court approves a special request, once you exclude yourself, you may not participate in the Settlement.

OBJECTING TO THE SETTLEMENT

16. How do I tell the Court that I don't like the Settlement?

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 Settlement, Plaintiffs' Counsel's request for attorneys' fees and/or reimbursement of expenses, or the proposed plan of allocation and distribution.

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 the Settlement, or the request for attorneys' fees and/or reimbursement of expenses, or the plan of allocation and distribution, 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, 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 as instructed above, you will be deemed to have waived your right to object.

17. 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

18. 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, 23rd Floor
Philadelphia, PA 19107

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

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 for a share of the Settlement Fund. If you want to be represented by your own lawyer, you may hire one at your own expense.

19. How will the lawyers be paid?

The Court will decide how much Plaintiffs' Counsel will be paid. Plaintiffs' Counsel have not yet received any payment for their work on this case, nor have they been reimbursed for their out-of-pocket expenses in litigating it. In conjunction with approval of the CMC, AK Steel, and Gerdau settlements, Plaintiffs' Counsel sought reimbursement for the majority of the out-of-pocket expenses they have incurred in litigating this case on behalf of the class. In conjunction with the approval of the ArcelorMittal settlement and this U. S. Steel settlement, Plaintiffs' counsel will request reimbursement of some additional out-of-pocket expenses.

In addition, Plaintiffs' Counsel will seek an award from the Court for attorneys' fees in an amount not to exceed one third (33.33%) of the Settlement Fund (including all five settlements). All awards of attorneys' fees and expenses will be paid from the Settlement Fund after the Court approves them.

20. 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 23). If you hire your own lawyer, you will have to pay for that lawyer at your own expense.

THE COURT'S FINAL APPROVAL HEARING

21. When and where will the Court decide whether to approve the Settlement?

The Court will hold a Final Approval Hearing at _____ on _____, 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 Settlement is fair, reasonable, and adequate. The Court also will consider Plaintiffs' Counsel's requests for attorneys' fees and/or reimbursement of litigation expenses, as well as the proposed plan of allocation and distribution. 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 Settlement; it will determine the appropriate amounts, if any, of attorneys' fees and/or expense reimbursements; and it will consider the proposed plan of allocation and distribution. The Court's decision may be appealed.

22. 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 object may (but do not have to) appear at the Final Approval Hearing, in person or through an attorney hired at their own expense.

23. 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 16 by _____. The Notice of Intent to Appear must contain the following information:

- The name, address, telephone number and e-mail 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

24. How do I get more information?

This Notice summarizes the Settlement. More details are in the Settlement Agreement. You can get a complete copy of the Settlement Agreement at www.SteelAntitrustSettlement.com. You may also write to the Settlement Administrator at the address in Question 12, 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.

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 a Class Action Settlement.

What is the Settlement about?

Eight steel manufacturers, ArcelorMittal S.A. and ArcelorMittal USA, LLC (together “ArcelorMittal”), Nucor Corporation, United States Steel Corporation (“U. S. Steel”), Gerdau Ameristeel Corporation, AK Steel Holding Corporation, Steel Dynamics, Inc., 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.

A settlement has been reached with U. S. Steel, which has agreed to pay \$58 million into a Settlement Fund. This is in addition to \$105.9 million in settlements (pending court approval) that were achieved with Commercial Metals Company, AK Steel Holding Corporation, Gerdau Ameristeel Corporation and ArcelorMittal earlier this year. Proposed settlements in the case to date now total \$163.9 million.

U. S. Steel denies the allegations. The litigation is continuing against the three non-settling 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 Agreement.

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 Settlement.

What are my rights?

If you are a Settlement Class Member and do not opt out, you will release certain legal rights against U. S. Steel, as set forth in the full Notice and in the Settlement Agreement with U. S. Steel. If you do not want to take part in the U. S. Steel Settlement, you have the right to opt out. To opt out of the Settlement, you must do so by _____. Settlement Class Members have the right to object to the Settlement. If you want to object, you must do so by ____

_____. Information on how to opt out or object to the Settlement 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 U. S. Steel Settlement is scheduled to be held in Courtroom 2503, Everett McKinley Dirksen United States Courthouse, 219 South Dearborn Street, Chicago, IL 60604, on _____, at _____. At that time, the Court will also consider Plaintiffs' Counsel's request for attorneys' fees and/or reimbursement of litigation expenses. 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 U. S. Steel Settlement Agreement, by visiting www.SteelAntitrustSettlement.com.