

If you purchased Polyether Polyols and/or Polyether Polyol Products in Canada, your legal rights could be affected by class action settlements.

WHO THIS NOTICE IS FOR

All persons in Canada who purchased Polyether Polyols Products during the class periods outlined below (the “settlement class”). Polyether Polyols means polyether polyols, monomeric or polymeric diphenylmethane diisocyanate (MDI), and/or toluene diisocyanate (TDI), whether sold separately or in a combined form with or without other chemicals added thereto, and polyether polyol systems. Polyether Polyol Products means Polyether Polyols and products that directly or indirectly contain or are derived from Polyether Polyols. Polyether Polyols are used in a variety of products, including furniture, bedding, seat cushions, adhesives, surface coatings, insulating materials, and packaging. If you are uncertain on whether you purchased Polyether Polyol and/or Polyether Polyol Products, please contact Class Counsel at the addresses listed below.

COURT APPROVAL OF CLASS ACTION SETTLEMENTS

Class action lawsuits have been commenced in Ontario and Quebec alleging an unlawful conspiracy to fix prices for Polyether Polyols. Settlements have been reached in the lawsuits with Lyondell Chemical Company (“Lyondell”), Huntsman International LLC (“Huntsman”), BASF Canada Inc. (“BASF Canada”), BASF Corporation, and BASF A.G. (now BASF SE). These defendants are collectively referred to as the “Settling Defendants”. The settlements represent resolution of disputed claims against each of the Settling Defendants. The Settling Defendants do not admit any wrongdoing or liability. The litigation is continuing against the remaining two Defendants: Dow Chemical Company and Dow Chemical Canada Inc.

For persons resident in Canada (excluding Quebec Class Members, as defined in the below paragraph), your rights may be impacted by the settlements if you purchased Polyether Polyols Products during the period of January 1, 1999 to December 31, 2004, and you have not previously opted out as described below.

For individuals resident in the province of Québec and all legal persons established in Québec for a private interest, partnership or association which at all times between May 1, 2005 and December 31, 2005 had no more than 50 persons bound to it by a contract of employment (“Quebec Class Members”):

- The BASF and Huntsman settlements provide for a class period of January 1, 1999 to December 31, 2004. If you purchased Polyether Polyol Products during this period and did not previously opt out as described below, your rights may be impacted by the BASF and Huntsman settlements.
- The Lyondell settlement provides for a class period of January 1, 1999 to December 31, 2005. If you purchased Polyether Polyol Products during this period and did not previously opt out as described below, your rights may be impacted by the Lyondell settlement. As the Lyondell settlement only provides for a contribution to notice costs, no compensation will be paid with respect to Polyether Polyol Product purchases between January 1, 2005 and December 31, 2005.

Under the terms of the settlements, the Settling Defendants have agreed to pay the following for the benefit of the settlement class in exchange for the full and final release of the claims asserted in the class actions against them and their related entities, including BASF A.G.:

- Lyondell has agreed to contribute up to Cdn \$35,000 towards the costs of notice;
- BASF Canada has agreed to pay Cdn \$2,000,000;
- BASF Corporation has agreed to pay Cdn \$2,000,000; and
- Huntsman has agreed to pay US \$1,700,000.

The Settling Defendants have also agreed to provide certain cooperation to the plaintiffs as set out in the relevant settlement agreements.

On July 24, 2012 and September 14, 2012, the Ontario and Quebec Courts respectively certified/authorized the actions as class proceedings as against the Settling Defendants for settlement purposes only and approved the settlements as being fair, reasonable and in the best interests of settlement class members. As Lyondell was in bankruptcy proceedings in the United States at the time its settlement was entered into, the Lyondell settlement is also subject to the approval of the U.S. bankruptcy court. The U.S. bankruptcy court approved the Lyondell settlement on January 11, 2012.

A prior settlement for was entered into with Bayer Inc., Bayer AG, Bayer MaterialScience LLC (formerly known as Bayer Polymers LLC) and Bayer Corporation (collectively "Bayer"). Details about that settlement are available online at www.classaction.ca.

DISTRIBUTION OF THE SETTLEMENT FUNDS

The BASF, Huntsman and Bayer settlement funds are being held in trust by Siskinds LLP for the benefit of settlement class members. A method for distributing the settlement funds will be submitted to the courts for approval at a later time. Once the court has approved the method for distributing the settlement funds, another notice will be provided and posted online at www.classaction.ca explaining which settlement class members are eligible for direct payment and how settlement class members can apply to receive payment. In Class Counsel's experience with actions similar to this, the majority of the monies are typically put in a fund used to provide direct compensation to class members who made purchases directly from the defendants or a distributor. In recognition of the difficulties involved in directly compensating downstream purchasers, compensation for these types of class members are typically paid out through a distribution to organizations which operate for the general benefit of downstream purchasers.

OPTING OUT OF (OR EXCLUDING ONESELF FROM) THE CLASS ACTIONS

In the context of a prior settlement, class members with purchases between January 1, 2002 and December 31, 2003 were given the right to opt out of the class actions and were informed that no further right to opt out would be provided. Thus, class members with purchases during the January 1, 2002 and December 31, 2003 period are not eligible to opt out.

As the settlements contemplate a longer purchase period (January 1, 1999 to December 31, 2004 (and for Lyondell in Quebec, to December 31, 2005)), you can opt out if you only made purchases during the earlier part of the class period (January 1, 1999 to December 31, 2001) or during the later part of the class period (January 1, 2004 to December 31, 2004 (and for Lyondell in Quebec, December 31, 2005)), but did not make any purchases during the January 1, 2002 to December 31, 2003 period.

You will be bound by the terms of the settlement unless you "opt out" of the Proceedings. If you do not opt out, you will not be able to bring or maintain any other claim or legal proceeding alleging acts in violation of the *Competition Act*, such as price-fixing, or other claims relating to the alleged conduct in the market for Polyether Polyols. No further right to opt out of the Proceedings will be provided. If you opt out, you will not be able to participate in the settlement, and you will not be able to participate in any further settlements with, or judgments against, other defendants in the Proceedings.

If you would like to opt out, you must submit a written request to opt out containing the following information:

- your full name, current address, and telephone number;
- a statement that you wish to opt out of the Proceedings;
- your reasons for opting out;
- a statement that the class member did not purchase Polyether Polyols and/or Polyether Polyol Products during the January 1, 2002 to December 31, 2003 period;
- the name(s) of each entity from whom you purchased Polyether Polyols and/or Polyether Polyol Products during the Class Period; and
- for each such entity, the information in your possession concerning the dollar value of your Polyether Polyols and/or Polyether Polyol Products purchases during the Class Period.

The request to opt out must be emailed, faxed or postmarked on or before **November 16, 2012** to the appropriate class counsel at the addresses listed below. Quebec Class Members must also mail the request to opt out postmarked on or before **November 16, 2012** to: Clerk of the Superior Court of Québec, 300, Boulevard Jean Lesage, Room 1.24, Québec, QC G1K 8K6, Court File No: 200-06-000069-065.

CLASS COUNSEL

The law firm of Siskinds LLP represents settlement class members in Canada, other Quebec Class Members. Siskinds LLP can be reached toll free at 1-800-461-6166 ext. 2455, by email at charles.wright@siskinds.com or by mail at 680 Waterloo Street, London, Ontario N6A 3V8 Attention: Charles Wright.

The law firm of Siskinds Desmeules s.e.n.c.r.l. represents Quebec Class Members. Siskinds Desmeules s.e.n.c.r.l. can be reached at 418-694-2009, by email at simon.hebert@siskindsdesmeules.com or by mail at Les promenades du Vieux-Quebec, 43 rue De Buade, bureau 320, Quebec City, QC G1R 4A2, Attention: Simon Hébert.

This notice has been approved by the Ontario and Quebec courts. This notice contains a summary of some of the terms of the settlements. If there is a conflict between the provisions of this notice and the settlement agreements, the terms of the settlement agreements shall prevail.

QUESTIONS? VISIT www.classaction.ca, email charles.wright@siskinds.com or call toll-free 1-800-461-6166 ext. 2455.