

NOTICE OF CERTIFICATION AND SETTLEMENT APPROVAL IN THE MATTER OF POLYETHER POLYOLS CLASS ACTION LITIGATION:

PLEASE READ THIS NOTICE CAREFULLY. IT MAY AFFECT YOUR LEGAL RIGHTS.

TO: All persons in Canada who purchased Polyether Polyols or Polyether Polyols Products in Canada between January 1, 2002 and December 31, 2003, except the Excluded Persons.

Polyether Polyols means polyether polyols, monomeric or polymeric diphenylmethane diisocyanate, and/or toluene diisocyanate, whether sold separately or in a combined form with or without other chemicals added thereto. Polyether Polyol Products are products that directly or indirectly contain or are derived from Polyether Polyols.

I. SETTLEMENTS HAVE BEEN APPROVED BY THE COURTS

Class proceedings lawsuits have been initiated in Ontario (Court File No. 50305CP) and Quebec (File No. 200-06-000069-065) in which it is alleged that the defendants conspired to fix prices for Polyether Polyols in Canada (collectively the "Proceedings").

A settlement has been reached with the defendants Bayer Inc., Bayer AG, Bayer MaterialScience LLC (formerly known as Bayer Polymers LLC) and Bayer Corporation (collectively the "Settling Defendants"). The Settling Defendants have agreed, in exchange for a full release of claims against them relating to the Proceedings, to pay **Cdn \$2,500,000.00** into a settlement fund (including interest, the "Settlement Fund") and provide cooperation. The Settlement Fund will be held in trust by Siskinds LLP for the benefit of class members pending further order of the Court as to the distribution of the Settlement Fund. The Settling Defendants do not admit liability. The settlement is a compromise of disputed claims. The litigation is continuing against all other Defendants.

The settlement has been approved by the Courts in Ontario and Quebec. For purposes of the settlement only, the Proceedings were certified as a class proceeding.

II. DISTRIBUTION OF THE SETTLEMENT FUNDS

The courts have not yet determined how the settlement funds should be paid out. Once a distribution protocol has been approved by the courts, further notice will be given. 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. In recognition of the difficulties involved in directly compensating indirect purchasers, compensation for these types of class members are typically paid out by the claims administrator through a distribution to organizations which operate for the general benefit of indirect purchasers.

III. CLASS COUNSEL FEES

Class Counsel legal fees and disbursements must be approved by the Courts. Class Counsel will collectively be requesting legal fees of up to 25% of the Settlement Fund, plus disbursements and applicable taxes, all to be paid out of the Settlement Fund.

IV. OPTING OUT OF THE PROCEEDINGS

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 exclude yourself from the Proceedings, you can opt out by submitting a written request to be excluded to Class Counsel by mail. Your request must include the following information:

- (a) Name, address, and telephone number;
- (b) the dollar amount and the date of such Polyether Polyols purchases; and
- (c) the request to be excluded from the Proceedings.

Written requests to opt out must be sent by August 31, 2009 to:

POLYETHER POLYOLS CLASS ACTION LITIGATION

c/o Siskinds LLP
680 Waterloo Street
London, ON N6A 3V8

Quebec Class Members must also send the request to opt out 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

V. CLASS COUNSEL

The law firm of Siskinds ^{LLP} represents class members in Ontario, and in provinces other than Quebec, as well as corporations of more than 50 employees in Quebec. Ontario Class Counsel can be reached toll free at 1-800-461-6166 ext. 2455 or by mail at 680 Waterloo Street, London, Ontario N6A 3V8 Attention: Charles Wright.

The law firm of Siskind Desmeules s.e.n.c.r.l. represents individuals and corporations of 50 or less employees who are class members in Quebec. Quebec Class Counsel can be reached at 418-694-2009 or by mail at Les promenades du Vieux-Québec, 43 rue De Buade, bureau 320, Quebec City, QC G1R 4A2, Attention: Me Simon Hébert.

VI. QUESTIONS ABOUT THE SETTLEMENT

If you would like a copy of the settlement agreement or have questions, please call the appropriate Class Counsel. This notice contains only a summary of the settlement and class members are encouraged to review the entire settlement agreement. A copy of the settlement agreement can be obtained free of charge at www.classaction.ca. A copy of the settlement agreements can also be mailed to you at a cost of \$10, which represents the cost of photocopying and mailing. INQUIRIES SHOULD NOT BE DIRECTED TO THE COURT.

VII. INTERPRETATION

This notice contains a summary of some of the terms of the settlement. If there is a conflict between the provisions of this notice and the settlement agreement, including the appendices of the settlement agreement, the terms of the settlement agreement shall prevail.

THIS NOTICE HAS BEEN AUTHORIZED BY THE ONTARIO SUPERIOR COURT OF JUSTICE AND THE SUPERIOR COURT OF QUEBEC