

## **If You purchased Chinese-made laminate flooring (“Class Flooring”) sold by Lumber Liquidators between January 1, 2009 and May 31, 2015, You May Qualify to Receive Benefits from a Class Action Settlement**

*A Federal Court authorized this notice. This is not a solicitation.*

- A proposed Settlement has been reached in class action lawsuits involving Class Flooring sold by Lumber Liquidators between January 1, 2009 and May 31, 2015. This settlement does not constitute an admission of liability by the Company of any fault or liability. The parties have agreed to settle these matters to avoid the expense and uncertainty of litigation.
- You may be included in one or both of two Settlement Classes if you are a verified purchaser of Class Flooring and submit a Claim Form as explained below.
- The Settlement will provide eligible class members a portion of their purchase price back in cash or a voucher which can be used at Lumber Liquidators. The total value of the Settlement is \$36,000,000.00 consisting of \$22,000,000 in cash and \$14,000,000 in vouchers. In addition to repaying class members, the cash portion will be used to pay attorneys’ fees, costs (including expert fees and costs to administer the settlement), expenses, and service awards to class representatives. The vouchers are transferrable among family members. Please read the entire notice for further information.

<b>YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT</b>	
<b>SUBMIT A CLAIM</b>	This is the only way to receive benefits under the Settlement. You may complete and return the claim form attached to the postcard notice you received or you can visit the Settlement website <a href="http://www.LaminateSettlement.com">www.LaminateSettlement.com</a> to submit a claim online. Claims must be submitted no later than <b>October 13, 2018</b> if submitted online, and must be postmarked no later than <b>October 13, 2018</b> if submitted by mail.
<b>EXCLUDE YOURSELF</b>	If you opt out, you will not receive any benefits from the Settlement, but you will keep any rights you currently have to separately sue the Defendant for the claims that are the subject of this lawsuit. The deadline to exclude yourself is <b>September 4, 2018</b> .
<b>OBJECT TO THE SETTLEMENT</b>	You may write to the Court and all counsel explaining why you object to the Settlement. Any objection must be filed no later than <b>September 4, 2018</b> . See questions 16 and 17 below for additional requirements.
<b>GO TO THE HEARING</b>	If you do not exclude yourself, you may ask to speak in Court about the Settlement. The Final Approval Hearing is scheduled for <b>October 3, 2018</b> at <b>10:00 a.m.</b> at 401 Courthouse Square, Alexandria, VA 22314. You must give written notice of your intent to appear. See question 16 below.
<b>DO NOTHING AT ALL</b>	If you do not exclude yourself or submit a timely claim, you will not receive benefits from the Settlement and you will give up any rights you currently have as specified in the Settlement Agreement to separately sue the Defendant for the claims being resolved by the Settlement.

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

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## BASIC INFORMATION

### 1. What is this Notice about?

This Notice is to inform you about the Settlement of lawsuits that may affect your rights, before the Court decides whether to approve the Settlement as final.

The lawsuits are called *In Re: Lumber Liquidators Chinese-Manufactured Laminate Flooring Products Marketing, Sales Practices and Products Liability Litigation*, No. 1:15-md-02627 (AJT) (E.D. Va), and *In Re Lumber Liquidators Chinese-Manufactured Flooring Durability Marketing And Sales Practices Litigation*, No. 1:16-md-02743 (AJT) (E.D. Va.). The United States District Court for the Eastern District of Virginia is overseeing both lawsuits. The people who filed the lawsuits are called Plaintiffs, and the company they sued is called the Defendant.

### 2. What is the lawsuit about?

One lawsuit (MDL 2627) alleges that the Chinese-manufactured laminate flooring sold by Lumber Liquidators did not comply with the labeling on the box which stated that the flooring complied with the California Air Resources Board regulations for formaldehyde levels in laminate flooring. The other lawsuit (MDL 2743) alleges that the same flooring does not meet the industry standards for durability and scratch-resistance, making the flooring less durable than advertised.

Lumber Liquidators denies the allegations and denies fault or liability.

### 3. What is a class action?

In a class action, one or more people called class representatives sue on behalf of a group or a “class” of people who have similar claims. In a class action, the court resolves the issues for all class members, except for those who exclude themselves from the class.

## WHO IS INCLUDED

### 4. How do I know if I am included in the Settlement Class?

You may be included in one or both of two Settlement Classes if you are a person in the United States who purchased Chinese-made laminate flooring (“Class Flooring”) from Lumber Liquidators between January 1, 2009 and May 31, 2015.

### 5. What does it mean if I received an email or postcard about this settlement?

If you received a notice in the mail about this Settlement, then Lumber Liquidators’ records reflect that you purchased Class Flooring during the Class Period. This means you may be eligible to participate in the Settlement.

Please review the notice you received carefully. The front of the postcard or the email contains information identifying which class(es) you are included in. Please see Question 9 below.

If you did not receive a notice by mail or email you may still be a member of the class. Please complete a claim form online at [www.LaminateSettlement.com](http://www.LaminateSettlement.com) and select “Submit a Claim” or visit the Important Documents section of that website to print a paper claim form. Your claim will be processed according to the applicable Court Orders and Settlement Agreement.

### 6. Who is not included in the Settlement Class?

The Settlement Classes do not include:

(1) Defendant, (2) all present and former affiliates and/or officers or directors of Defendant, (3) the Judge of this Court, the Judge’s family and staff, (4) all individuals who have already entered a Release and Settlement Agreement

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IMPORTANT DOCUMENT – DO NOT DISCARD

with Lumber Liquidators related to their purchase of the Chinese-made laminate flooring product during the Class Periods, (5) contractors, persons, or other entities who purchased Chinese-manufactured laminate flooring primarily for resale, (6) individuals bringing Personal Injury Claims as defined in the Settlement Agreement and identified in Exhibit A to the Settlement Agreement, and (7) all persons who timely request to be excluded from the Classes in accordance with the provisions of the Notice.

## 7. What Products are included?

Chinese-made laminate flooring (“Class Flooring”) means laminate flooring labeled “Made in China” and purchased from Lumber Liquidators stores from January 1, 2009 to May 31, 2015. A list of the eligible products may be found at the website, [www.LaminateSettlement.com](http://www.LaminateSettlement.com)

## THE SETTLEMENT’S BENEFITS

### 8. What does the Settlement provide?

#### **Settlement Fund.**

For CARB2/Durability class members, the Settlement will provide eligible class members a portion of their purchase price (excluding installation and labor costs) back in cash or a store-credit voucher that can be used at Lumber Liquidators. The total value of the Settlement is \$36,000,000.00 consisting of \$22,000,000 in cash and \$14,000,000 in store-credit vouchers. For CARB1 class members, they may get up to \$50, depending upon how many claims are made on a \$1,000,000 fund.

In addition to repaying Class members, the cash portion will be used to pay attorneys’ fees, costs, expenses, incentive awards to class representatives who were involved in the litigating the lawsuits, and the costs to administer the settlement.

Class members who select a store-credit voucher may transfer the voucher to a family member or a nationally recognized charity. Vouchers will not otherwise be transferrable, nor may they be sold or redeemed for cash.

Eligible Class members who file an Approved claim may choose the cash award or the store-credit voucher. If you fail to make a selection or select both, you will receive a store-credit voucher.

Cash or store-credit voucher awards will be allocated on a *pro rata* basis: this means that the final amount each participant receives will not be known until all class members have decided if they will participate in the settlement, and after they have selected the cash award or a store-credit voucher award. As explained below the potential amounts depend on whether you are a member of the CARB2/Durability Class, the CARB1 Class, or both.

#### **No Portion of the Settlement Fund Will Return to Defendant.**

Under no circumstances shall any portion of the Settlement Fund revert back to Defendant. If there are any checks uncashed, Plaintiffs’ counsel may seek a *cy pres* award to benefit the victims of 2017 hurricanes that struck the U.S. or its territories.

More details are in the Settlement Agreement, which is available at [www.LaminateSettlement.com](http://www.LaminateSettlement.com).

### 9. What can I get?

The Settlement provides three (3) possible benefits to class members, depending on their membership in one or both of two settlement classes. If you received a Notice in the mail, that Notice states which of the following benefits you are entitled to. Please see the front of the Notice for additional details regarding your class.

**CARB2/Durability Class (purchases of Class Flooring from January 1, 2011 to May 31, 2015):** The Settlement will provide these eligible class members a portion of their purchase price (excluding installation and labor costs) back in cash, or a store-credit voucher that can be used at Lumber Liquidators.

Eligible class members who file an Approved claim may only choose the cash award or the voucher; they may not choose both. Both awards will be allocated on a *pro rata* basis: this means the final amount each participant receives will not be known until all class members have decided if they will participate and which option they have selected (cash or voucher).

Based upon past settlement data, class members selecting the cash award may expect to receive about 20% - 56% of the purchase price of their flooring—this does not include the cost of installation. Class members electing to receive a voucher can expect 38% -104% of their purchase price.

By way of example, a CARB2/Durability class member who paid \$1,000 for his or her Class Flooring could estimate to receive a store-credit voucher with an approximate value of \$380 to \$1,040. If the same class member selected the cash option, he or she could estimate an approximate cash award of \$200 to \$560. **These are estimates for illustration purposes only.** The final award amounts will depend on, among other things, the actual purchase price you paid for your Class Flooring, and the participation and award selection of settlement participants.

**CARB1 Class (purchases of Class Flooring from January 1, 2009 to December 31, 2010):** The Settlement will provide these eligible class members who file a timely and valid claim a payment of up to \$50. There is no store-credit voucher option for CARB1 Class claimants. A total of \$1.0 million has been allocated for the CARB1 class.

If eligible claims exceed \$1.0 million such that funds are insufficient to pay eligible CARB1 Claimants \$50 each, the award will be allocated on a *pro rata* basis: this means the final amount each participant receives will be reduced if too many claimants participate. The final amount awarded will not be known until all CARB1 Class members have decided if they will participate.

**Both Classes (purchasers of the Class Flooring during both time periods):** Class Members who made purchases of Class Flooring in both the CARB1 (January 1, 2009-December 31, 2010) and CARB2/Durability (January 1, 2011-May 31, 2015) time periods are included in both the CARB1 Class and the CARB2/Durability Class and are eligible to participate in both benefits as stated above.

The differences in the Settlement Classes relates in part to the different rules as to formaldehyde levels under CARB1 (.21 parts per million) and CARB2 (.11 parts per million) and the strength of the Plaintiffs' case. More details are in the Settlement Agreement, which is available at [www.LaminateSettlement.com](http://www.LaminateSettlement.com).

## HOW TO GET BENEFITS

### 10. How do I make a claim?

Any Settlement Class Member who desires to make a claim under the terms of the Settlement Agreement may visit the Settlement website at [www.LaminateSettlement.com](http://www.LaminateSettlement.com) to complete a claim online or may return by mail the claim form included with their initial notice. Postage is already paid. Claims must be received by the Claim Deadline.

### 11. When may I make a claim?

Claims may be submitted at any time through the Claim Deadline by visiting the Settlement website at [www.LaminateSettlement.com](http://www.LaminateSettlement.com) or by mail as described above.

“Claim Deadline” means the date by which all Claim Forms must be postmarked or received by the Settlement Administrator to be considered timely. The claim deadline is **October 13, 2018** if filed online; or if mailed to the Settlement Administrator, the Claim must be postmarked by **October 13, 2018**.

When you submit a Claim, you agree to cooperate to provide such other information as is reasonably needed to evaluate the Claim and efficiently determine whether the Claim qualifies for the settlement benefits. Only a Settlement Class Member may submit a Claim. More details are available in the Settlement Agreement, which is available at [www.LaminateSettlement.com](http://www.LaminateSettlement.com).

## REMAIN IN THE SETTLEMENT CLASS

### 12. What am I giving up if I stay in the Settlement Class?

Unless you exclude yourself (*i.e.*, opt out of the Settlement), you will give up your right to sue the Defendant for the claims in these two MDL cases as set forth in the Settlement Agreement. You also will be bound by any decisions by the Court relating to the lawsuit and Settlement.

In return for providing the Settlement benefits, Defendant will be released from certain claims relating to the facts underlying this lawsuit. The Settlement Agreement describes the Release. Please read it carefully. If you have any questions, you can talk to Class Counsel listed in Question 18 for free. The Settlement Agreement and the Release are available at [www.LaminateSettlement.com](http://www.LaminateSettlement.com).

## EXCLUDE YOURSELF FROM THE SETTLEMENT CLASS

### 13. How do I get out of the Settlement Class?

To exclude yourself from the Settlement Class, you must send a letter (a “Request for Exclusion”) by first class mail to the Settlement Administrator. If you exclude yourself, you will not be entitled to share in the benefits of the Settlement. Your Request for Exclusion must include:

- Your name, address, and email address;
- Identify your individual counsel (if any);
- Contain a statement substantially similar to “I want to opt out of the Class(es) certified in the Lumber Liquidators Chinese-laminate flooring litigation.”; and
- Your signature **and**, if applicable, the signature of the attorney representing you.

Your Request for Exclusion must be submitted via U.S. Mail, Postage paid, and postmarked no later **September 4, 2018**, and mailed to:

CLASS ACTION EXCLUSIONS  
ATTN: LUMBER LIQUIDATORS SETTLEMENT  
P.O. Box 30456  
Philadelphia, PA 19103

### 14. If I don't exclude myself, can I sue for the same thing later?

No. Unless you exclude yourself, you will remain in the Settlement Classes and give up any right to separately sue Defendant for the claims covered by the Settlement.

### 15. If I exclude myself, can I still get benefits from the Settlement?

No. If you exclude yourself, you may not make a claim under the Settlement and you will not be eligible to receive compensation from the Settlement.

## OBJECT TO THE SETTLEMENT

### 16. How do I object to the Settlement?

If you are a Class Member and disagree with any aspect of the Settlement which applies to you, you may object to the Settlement. You may express your views to the Court by writing a notice of intent to object to the Court, Class Counsel, and Defendant's counsel at the addresses below. Your written notice of intent to object must be mailed via first class mail and include:

- A caption that includes the case name and the case number as follows: *In Re: Lumber Liquidators Chinese-Manufactured Flooring Products Marketing, Sales Practices and Products Liability Litigation*, MDL No. 1:15-md-02627; or *In Re Lumber Liquidators Chinese- Manufactured Laminate Flooring Durability Marketing and Sales Practices Litigation*, MDL No. 1:16-md-2743; or both;
- Your name, mailing address, and email address;
- A written letter or brief detailing the specific basis for each objection, including any legal and factual support the objector wishes to bring to the Court's attention and any evidence the objector wishes to introduce in support of the objection, addressed to the United States District Court for the Eastern District of Virginia not later than **September 4, 2018**;
- A valid proof of purchase of Chinese-manufactured laminate flooring sold by Lumber Liquidators or a reasonable equivalent;
- The number of class action settlements objected to by the Class member in the last three years;
- A statement as to whether the objecting Class member intends to appear at the Final Approval and Fairness Hearing, either in person or through counsel; and
- Your signature **and**, if applicable, the signature of the attorney representing you.

If the objection is made through an attorney, the written objection must also include additional information. Please see the Settlement Agreement at [www.LaminateSettlement.com](http://www.LaminateSettlement.com) for additional information.

Any comment or objection to the Settlement must be postmarked or personally delivered no later than **September 4, 2018** to these four addresses:

<b><u>COURT</u></b> Clerk of Court United States District Court for the Eastern District of Virginia 401 Courthouse Square, Alexandria, VA 22314	<b><u>Defendant Lumber Liquidators, Inc.</u></b> <b><u>Lead Counsel:</u></b> Diane P. Flannery, Esq. McGuireWoods LLP Gateway Plaza 800 East Canal Street Richmond, VA 23219
<b><u>Formaldehyde</u></b> <b><u>Plaintiffs' Co-Lead Counsel:</u></b> Steven Toll, Esq. Cohen Milstein Sellers & Toll PLLC 1100 New York Ave, NW Suite 500 – West Tower Washington, DC 20005	<b><u>Durability</u></b> <b><u>Plaintiffs' Co-Lead Counsel:</u></b> Alexander Robertson, IV, Esq. Robertson & Associates, LLP 32121 Lindero Canyon Rd, Suite 200 Westlake Village, CA 91361

### 17. What is the difference between excluding myself and objecting?

If you exclude yourself from the Settlement Classes, you are telling the Court that you don't want to participate in the Settlement. Therefore, you will not be eligible to receive any benefits from the Settlement and you will not be able to object to the Settlement. Objecting to the Settlement simply means telling the Court that you don't like something about the Settlement. Objecting does not disqualify you from making a claim; nor does it make you ineligible to receive Settlement benefits.

## THE LAWYERS REPRESENTING YOU

### 18. Do I have a lawyer representing me?

Yes. The Court has appointed the following law firms as Class Counsel to represent you and all other members of the Settlement Classes: Cohen Milstein Sellers & Toll PLLC; Cotchett, Pitre & McCarthy, LLP; Hagens Berman Sobol Shapiro LLP, Robertson & Associates LLP; Whitfield Bryson & Mason LLP and Ahdoot & Wolfson, PC.

If you have any questions about the Settlement, you can talk to Class Counsel, or you can hire your own lawyer at your own expense.

### 19. How will the lawyers be paid?

Class Counsel will request attorneys' fees not to exceed one-third of the Settlement Fund, plus costs and expenses. The amount of these fees, costs, and expenses, as well as service awards for Class Representatives, will be decided by the Court and will be paid out of the Settlement Fund. Class Counsel will request service awards for Class Representatives who were deposed and actively participated in the litigation of up to \$5,000 each, for a total of \$60,000.00. Class Counsel will request a maximum of one service award per household. The Court may award less than the requested amounts for attorney's fees, costs, expenses, and service awards.

## THE FINAL APPROVAL HEARING

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

The Court will hold a Final Approval Hearing at **10:00 a.m. on October 3, 2018**, at the United States District Court for the Eastern District of Virginia, Room 702, 401 Courthouse Square, Alexandria, VA 22314. The hearing may be moved to a different date or time without additional notice, so check [www.LaminateSettlement.com](http://www.LaminateSettlement.com) for current information. At the Final Approval Hearing the Court will consider whether the Settlement is fair, reasonable, and adequate. If there are objections or comments, the Court will consider them at that time. After the hearing, the Court will decide whether to grant final approval to the Settlement. We do not know how long these decisions will take.

### 21. Do I have to come to the hearing?

No. Class Counsel will answer any questions the Court may have. But you are welcome to come at your own expense. If you send an objection or comment, you don't have to come to Court to talk about it. As long as you mailed your written objection on time, the Court will consider it. You may also hire a lawyer to appear on your behalf at your own expense.

### 22. May I speak at the hearing?

If you send an objection or comment on the Settlement as described in Question 16, you will have the right to speak at the Final Approval Hearing. You cannot speak at the hearing if you exclude yourself from the Settlement Class.

## GET MORE INFORMATION

### 23. Where can I get more information?

This Notice summarizes the Settlement. You can get more information about the Settlement at [www.LaminateSettlement.com](http://www.LaminateSettlement.com) or by calling 1-855-728-9632.