

IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

VIRTUS CAPITAL L.P.,

Petitioner,

v.

STERLING CHEMICALS, INC.,

Respondent.

C.A. No. 6951-VCL

VIRTUS CAPITAL L.P., individually and on behalf of all others similarly situated,

Plaintiff,

v.

EASTMAN CHEMICAL COMPANY, JOHN L. TEEGER, JOHN V. GENOVA, RICHARD K. CRUMP, JOHN W. GILDEA, PHILIP M. SIVIN, KARL W. SCHWARZFELD, DANIEL M. FISHBANE, WALTER TREYBIG, MARTIN D. SASS, M.D. SASS INVESTORS SERVICES, INC., RESURGENCE ASSET MANAGEMENT, L.L.C., RE/ENTERPRISE ASSET MANAGEMENT L.L.C., RESURGENCE ASSET MANAGEMENT INTERNATIONAL, L.L.C., CORPORATE RESURGENCE PARTNERS, L.L.C., CORPORATE RESURGENCE PARTNERS II, L.L.C., M.D. SASS CORPORATE RESURGENCE PARTNERS III, L.P., RESURGENCE ASSET MANAGEMENT, L.L.C. EMPLOYEE RETIREMENT PLAN, CORPORATE RESURGENCE, LTD., TRUST "0" FOR A PORTION OF THE ASSETS OF THE KODAK RETIREMENT INCOME PLAN, KODAK PENSION PLAN, M.D. SASS ASSOCIATES, INC. EMPLOYEE PROFIT SHARING PLAN, M.D. SASS RE/ENTERPRISE PORTFOLIO COMPANY, L.P., M.D. SASS RE/ENTERPRISE II, L.P., RESURGENCE PARALLEL FUND, L.L.C., RESURGENCE PARALLEL FUND II, L.L.C., RESURGENCE PARALLEL FUND III, L.L.C., EASTMAN TC, INC., AND MOELIS & COMPANY LLC,

Defendants.

C.A. No. 9808-VCL

**NOTICE OF PROPOSED SETTLEMENT OF CLASS ACTION,
SETTLEMENT HEARING, AND RIGHT TO APPEAR**

TO: ANY AND ALL RECORD HOLDERS AND BENEFICIAL OWNERS OF COMMON STOCK OF STERLING CHEMICALS, INC. ("STERLING") WHO HELD COMMON STOCK AT ANY TIME FROM JUNE 22, 2011 THROUGH AND INCLUDING AUGUST 9, 2011, INCLUDING THEIR LEGAL REPRESENTATIVES, HEIRS, SUCCESSORS IN INTEREST, TRANSFEREES AND ASSIGNEES OF ALL SUCH FOREGOING HOLDERS, BUT EXCLUDING THE DEFENDANTS AND THEIR ASSOCIATES, AFFILIATES, LEGAL REPRESENTATIVES, HEIRS, SUCCESSORS IN INTEREST, TRANSFEREES AND ASSIGNEES.

PLEASE READ ALL OF THIS NOTICE CAREFULLY. YOUR RIGHTS WILL BE AFFECTED BY THE LEGAL PROCEEDINGS IN THIS ACTION. IF THE COURT OF CHANCERY OF THE STATE OF DELAWARE APPROVES THE PROPOSED SETTLEMENT, YOU WILL BE FOREVER BARRED FROM CONTESTING THE FAIRNESS OF THE PROPOSED SETTLEMENT OR PURSUING THE RELEASED CLAIMS (AS DEFINED HEREIN).

IF YOU HELD OR TENDERED THE COMMON STOCK OF STERLING FOR THE BENEFIT OF ANOTHER, PLEASE PROMPTLY TRANSMIT THIS DOCUMENT TO SUCH BENEFICIAL OWNER.

I. PURPOSE OF NOTICE

The purpose of this Notice is to inform you of the proposed settlement (the "Settlement") of the above-captioned lawsuits (the "Actions") pending in the Court of Chancery of the State of Delaware (the "Court of Chancery").¹ Pursuant to the Settlement, Plaintiff Virtus Capital L.P., on its own behalf and on behalf of the Settlement Class (as further defined herein), has agreed to settle and dismiss with prejudice its claims against Eastman Chemical Company ("Eastman"), John L. Teeger, John V. Genova, Richard K. Crump, John W. Gildea, Philip M. Sivin, Karl W. Schwarzfeld, Daniel M. Fishbane, Walter Treybig, Martin D. Sass, M.D. Sass Investors Services, Inc., Resurgence Asset Management, L.L.C., Re/Enterprise Asset Management L.L.C., M.D. Sass Associates, Inc. Employee Profit Sharing Plan, Eastman TC, Inc. and Moelis & Company LLC ("Moelis") (collectively, the "Defendants") and Sterling, which relate to the sale of Sterling to Eastman for \$2.50 per share. In consideration of the Settlement, Defendants have agreed to cause the sum of \$17,500,000 to be paid for the benefit of the Settlement Class.

This Notice also informs you of your right to participate in a hearing to be held on December 9, 2016 at 10:00 a.m., in the Court of Chancery, 500 North King Street, Wilmington, DE 19801 (the "Settlement Hearing") to determine whether the Court should approve the Settlement as fair, reasonable and adequate, whether Plaintiff and the law firm of Friedlander & Gorris P.A. ("Class Counsel") have adequately represented the interests of the Settlement Class in the Actions, and to consider other matters, including a request by Plaintiff for a Fee Reimbursement Award, including fees and expenses incurred in connection with bringing and pursuing the Actions, presenting the Settlement to the Court, and defending *Resurgence Asset Management, LLC, et al., v. Steven L. Gidumal*, Case No. 2015-CA-1278-0, in the Circuit of the Ninth Judicial Circuit in and for Orange County, Florida (the "Florida Action") which Plaintiff contends are recoverable in these Actions, and for a Special Award for services over and above the customary responsibilities of a class representative.

This Notice describes the rights you may have under the Settlement and what steps you may, but are not required to, take in relation to the Settlement.

If the Court approves the Settlement, the Parties to the Actions will ask the Court at the Settlement Hearing to enter an Order dismissing all claims asserted in the Actions against the Defendants and Sterling with prejudice.

If you are a member of the Settlement Class (a "Class Member"), you will be bound by any judgment entered in the Actions. You may not opt out of the Settlement Class.

THE FOLLOWING RECITATION DOES NOT CONSTITUTE FINDINGS OF THE COURT. IT IS BASED ON STATEMENTS OF THE PARTIES AND SHOULD NOT BE UNDERSTOOD AS AN EXPRESSION OF ANY OPINION OF THE COURT AS TO THE MERITS OF ANY OF THE CLAIMS OR DEFENSES RAISED BY ANY OF THE PARTIES.

¹ The complete terms of the Settlement are set forth in the Stipulation and Agreement of Compromise, Settlement and Release (the "Stipulation"), which can be viewed at WWW.STERLINGCHEMICALSSETTLEMENT.COM.

II. BACKGROUND OF THE LITIGATION

On June 22, 2011, Eastman announced that it had entered into a definitive merger agreement (the “Merger Agreement”) to acquire Sterling through its wholly-owned subsidiary, Eastman TC, Inc. (the “Merger”).

Under the terms of the Merger Agreement, holders of Sterling common stock would receive \$2.50 per share. Resurgence Asset Management, LLC and its affiliates approved the Merger by written consent.

The Merger closed on August 9, 2011 (the “Closing Date”).

On October 19, 2011, Virtus Capital L.P. (“Virtus” or “Plaintiff”) commenced an appraisal action pursuant to 8 *Del. C.* § 262, captioned *Virtus Capital L.P. v. Sterling Chemicals, Inc.*, C.A. No. 6951-VCL (the “Appraisal Action”). Virtus filed a Petition for Appraisal seeking an award of fair value of the shares of Sterling common stock it held through the effective date of the Merger (other than shares for which Virtus received merger consideration), interest, an award of fees and costs and other relief deemed to be just and appropriate.

On June 20, 2014, Virtus filed a Verified Class Action Complaint for Breach of Fiduciary Duties and Aiding and Abetting (the “Class Action Complaint”) in an action captioned *Virtus Capital L.P. v. Eastman Chemical Company, et al.*, C.A. 9808-VCL (the “Class Action”).

The Class Action Complaint sought certification of a class consisting of all former holders of Sterling stock (other than the defendants and any person, firm, trust, corporation, or other entity related to or affiliated with any defendants), and alleged that the defendants breached their fiduciary duties or aided and abetted breaches of fiduciary duty in connection with the Merger.

During the course of the Actions, Plaintiff sought extensive discovery from Defendants and third-parties. Defendants and third parties produced in excess of 800,000 pages of documents in the Actions.

Class Counsel deposed twelve fact witnesses and a representative of Plaintiff was deposed three times.

On February 11, 2016, the Parties and/or their representatives attended a voluntary mediation session before former United States District Judge Layn Phillips to attempt to negotiate a global settlement of the Actions. After the February 11 mediation session, extensive settlement negotiations between the Parties and/or their representatives continued under the supervision of former Judge Phillips.

On February 18, 2016, the Parties exchanged expert reports.

On March 9, 2016, a Mediation Term Sheet (the “Term Sheet”) incorporating the terms of an agreement to fully and finally settle the claims asserted in the Actions was signed by counsel for Plaintiff and Defendants and filed with the Court.

The Settlement is intended fully, finally and forever to resolve, discharge and settle the Released Plaintiff’s Claims (as defined herein), the Released Defendants’ Claims (as defined herein) and the Released Resurgence Claims (as defined herein) with prejudice. It is the intention of the Parties that the Settlement will release all Released Plaintiff’s Claims, Released Defendants’ Claims and Released Resurgence Claims.

The entry by the Parties into the Settlement is not, and shall not be construed as or deemed to be evidence of, an admission as to the merit or lack of merit of any claims or defenses asserted in the Actions.

Class Counsel has conducted an investigation and pursued discovery relating to the claims and the underlying events alleged in the Class Action. Class Counsel has analyzed the evidence adduced in its investigation and through discovery, and has researched the applicable law with respect to Plaintiff and the Settlement Class. In negotiating and evaluating the terms of the Settlement, Class Counsel considered the legal and factual defenses to Plaintiff’s claims. Class Counsel has received sufficient information to evaluate the merits of the Settlement. Based upon its evaluation, Class Counsel has determined that the Settlement is fair, reasonable and adequate and in the best interests of all Class Members, and that it confers substantial benefits upon the Class Members.

Defendants and Sterling deny any and all allegations of their respective wrongdoing, fault, liability or damage whatsoever, and each of Sterling and the Defendants denies that he or it engaged in, committed or aided and abetted the commission of any breach of duty, wrongdoing or violation of law. Entry into the Settlement does not constitute an admission by Defendants or Sterling that the consideration set forth herein represents or suggests the “fair value” (as defined in 8 *Del. C.* § 262 and the decisional law thereunder) of Sterling.

Defendants and Sterling enter into the Settlement solely because they consider desirable that the Actions be settled and dismissed with prejudice in order to, among other things, eliminate the uncertainties, burden and expense of further litigation. Nothing in the Settlement shall be construed as an allocation of fault or liability between or among any of the Defendants or Sterling.

III. THE BENEFITS OF THE SETTLEMENT

(a) Settlement Payment

In consideration of the Settlement, Defendants have agreed to cause the sum of \$17,500,000 (the “Settlement Amount”) to be paid for the benefit of the Settlement Class. The Settlement Amount, less any Taxes, Tax Expenses, attorneys’ fees, expert fees, notice and administration costs and any other expenses approved by the Court (the “Net Settlement Fund”), will be distributed as follows:

(b) Distribution of the Net Settlement Fund

Following the Effective Date, the Net Settlement Fund will be disbursed by the Settlement Administrator to the Settlement Payment Recipients and will be allocated on a pro rata basis among the Settlement Payment Recipients who have submitted a valid Proof of Claim by the deadline provided in the Notice based on the number of Eligible Shares. If there is any balance remaining in the Net Settlement Fund after six (6) months from the date of distribution, Class Counsel shall, if economically feasible, reallocate such balance among the Class Members who have cashed their distribution checks and who would receive at least \$10 in the re-distribution. Thereafter, any balance remaining in the Net Settlement Fund shall escheat to the State of Delaware.

(c) Proof of Claim

Any Settlement Payment Recipient who wishes to participate in the distribution of the Net Settlement Fund shall submit to the Settlement Administrator a completed Proof of Claim in the form enclosed no later than January 9, 2017. Any Proof of Claim submitted to the Settlement Administrator after such date may be rejected as untimely.

As set forth in the Stipulation:

1. “Settlement Payment Recipients” means all Class Members who were stockholders of record of Sterling common stock as of the Closing who submit a valid Proof of Claim to the Settlement Administrator by the deadline in the Notice.
2. “Class Member” means a member of the Settlement Class.
3. “Settlement Class” means a class consisting of all holders of Sterling common stock at any time from June 22, 2011 through and including August 9, 2011, whether beneficial or of record, including their legal representatives, heirs, successors in interest, transferees and assignees of all such foregoing holders, but excluding the Defendants and their associates, affiliates, legal representatives, heirs, successors in interest, transferees and assignees.

IV. RELEASES

Upon the Effective Date, the Parties shall thereupon fully, finally and forever, release, settle and discharge the Released Parties and all of their respective counsel from and with respect to the Released Claims, and shall forever be barred and enjoined from commencing, instigating, instituting, maintaining, prosecuting, asserting, or participating in any action or other proceeding in any court of law or equity, arbitration tribunal, or administrative forum, or other forum of any kind, whether individual, class, derivative, representative, legal, equitable, or in any other capacity, asserting any of the Released Claims against any of the Released Parties.

As set forth in the Stipulation:

- a. “Claims” means any and all manner of claims, demands, rights, liabilities, losses, obligations, duties, damages, diminutions in value, costs, debts, expenses, interest, penalties, fines, sanctions, fees, attorneys’ fees, expert or consulting fees, actions, potential actions, causes of action, suits, agreements, judgments, decrees, matters, issues and controversies of any kind, nature or description whatsoever, whether disclosed or undisclosed, accrued or unaccrued, apparent or not apparent, foreseen or unforeseen, matured or not matured, suspected or unsuspected, liquidated or not liquidated, fixed or contingent, which now exist, or heretofore or previously existed, or may hereafter

exist, including known claims and Unknown Claims, whether direct, derivative, individual, class, representative, legal, equitable or of any other type, or in any other capacity, whether based on state, local, foreign, federal, statutory, regulatory, common or other law or rule, including, but not limited to, any claims under state securities law, or under state disclosure law or any claims that could be asserted derivatively on behalf of Sterling.

b. “Effective Date” means the first business day following the date the Judgment becomes Final.

c. “Judgment” means the Final Order and Judgment to be entered in the Actions substantially in the form attached as Exhibit E to the Stipulation.

d. “Final” means with respect to any judgment or order that the judgment or order is finally affirmed on appeal or is no longer subject to appeal, and the time for any petition for reargument, appeal, or review, by certiorari or otherwise, has expired.

e. “Preserved Claims” means any respective claims and defenses between Plaintiff’s Principal, on the one hand, and Resurgence, on the other hand, or vice versa, relating to compensation for services and clawback collection.

f. “Released Claims” means the Released Defendants’ Claims, the Released Plaintiff’s Claims, and the Released Resurgence Claims.

g. “Released Defendants’ Claims” means, subject to Paragraphs 21 and 22 of the Stipulation, any Claims (including “Unknown Claims”) that have been or could have been asserted in the Actions or any forum by Defendants or any of them or Sterling or their respective successors and assigns against Plaintiff, Plaintiff’s Principal, the Class Members, or any of their respective counsel, which arise out of or relate in any way to the institution, prosecution, settlement or dismissal of the Actions, including, but not limited to, alleged litigation misconduct, breaches of confidentiality orders, violations of court rules, and defamation; Claims (including “Unknown Claims”) against Plaintiff, Plaintiff’s Principal and their affiliates arising from or relating to the alleged conduct set forth in the underlying Defendants’ respective affirmative defenses; and any Claims (including “Unknown Claims”) of bad faith or abuse of process against Plaintiff, Plaintiff’s Principal or Class Counsel relating to their prosecution of the Actions; provided, however, that the Released Defendants’ Claims shall not include any claims relating to the enforcement of the Settlement. For the avoidance of doubt, the Released Defendants’ Claims do not include any Preserved Claims.

h. “Released Defendant Parties” means (i) Sterling, (ii) all Defendants, (iii) the members of each Individual Defendant’s Immediate Family, (iv) the Unserved Defendants, and (v) any of the foregoing’s respective families, parent entities, controlling persons, associates, predecessors, successors, affiliates, or subsidiaries, and each and all of their past or present officers, directors, executives, shareholders, principals, representatives, employees, attorneys, financial or investment advisors, consultants, accountants, auditors, investment bankers, commercial bankers, entities providing fairness opinions, underwriters, brokers, dealers, insurers, advisors or agents, heirs, executors, trustees, general or limited partners or partnerships, limited liability companies, members, managers, joint ventures, personal or legal representatives, estates, administrators, predecessors, successors, and assigns.

i. “Released Plaintiff’s Claims” means, subject to Paragraph 22 of the Stipulation, any and all manner of Claims (including “Unknown Claims”) that were asserted by Plaintiff on its own behalf and/or on behalf of all other Class Members in either of the Actions, or could have been or in the future might be asserted by Plaintiff, Plaintiff’s Principal, any Class Members or the Settlement Class in the Class Action or in any other court, tribunal, forum or proceeding that are based upon, arise out of, relate in any way to, or involve, directly or indirectly, any of the actions, events, conduct, decisions, negotiations, fairness opinions, transactions, occurrences, statements, representations, misrepresentations, omissions, disclosures, allegations, facts, practices, events, claims or any other matters, things or causes whatsoever, or any series thereof, that relate in any way to or concern the Merger, the Merger Agreement, or the Information Statement, including, without limitation, those that were alleged, asserted, or claimed in the Class Action or which are based upon, arise out of, relate in any way to, or involve, directly or indirectly, the events or conduct at issue in the Class Action; provided, however, that the Released Claims shall not include any claims for the enforcement of the Settlement. As to Plaintiff and Plaintiff’s Principal, Released Plaintiff’s Claims shall also include all Claims related to the prosecution, defense, settlement or dismissal of the Actions, including, but not limited to, alleged litigation misconduct, breaches of confidentiality orders, violations of court rules, and defamation. The Released Plaintiff’s Claims do not include actual or potential federal securities law claims related to Sterling, except that the Released Plaintiff’s Claims do include such claims by Plaintiff, Plaintiff’s Principal, and their affiliates. For the avoidance of doubt, the Released Plaintiff’s Claims do not include any Preserved Claims.

j. “Released Resurgence Claims” means all claims arising from or relating to alleged conduct set forth in or underlying the Third, Seventh and Eleventh Affirmative Defenses asserted in the Class Action by Resurgence, exclusive of references to clawback obligations. For the avoidance of doubt, the Released Resurgence Claims do not include any Preserved Claims.

k. “Plaintiff’s Principal” means Steven Gidumal.

l. “Unknown Claims” means any and all claims that otherwise fall within the definition of Released Plaintiff’s Claim and that Plaintiff, Plaintiff’s Principal or any Class Member does not know or suspect exists in his, her or its favor at the time of the release of the Released Claims as against the Released Defendant Parties, including without limitation those which, if known, might have affected the decision to enter into this Settlement, and any and all claims that otherwise fall within the definition of Released Defendants’ Claims and that any Defendant, Sterling or Resurgence does not know or suspect to exist in his, her or its favor at the time of the release of the Released Claims as against the Released Plaintiff Parties, including without limitation those which, if known, might have affected the decision to enter into this Settlement. With respect to any of the Released Claims, the Parties stipulate and agree that upon the Effective Date, Plaintiff, Plaintiff’s Principal, Sterling, each Defendant and Resurgence (exclusive of Unserved Defendants) shall expressly and each of the Class Members shall be deemed to have, and by operation of the Judgment shall have, expressly waived, relinquished and released any and all provisions, rights and benefits conferred by or under Cal. Civ. Code § 1542 or any law of the United States or any state of the United States or territory of the United States or other jurisdiction, or principle of common law, which is similar, comparable or equivalent to Cal. Civ. Code § 1542, 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.

m. “Unserved Defendants” means Corporate Resurgence Partners, L.L.C., Corporate Resurgence Partners II, L.L.C., M.D. Sass Corporate Resurgence Partners III, L.P., Resurgence Asset Management, L.L.C. Employee Retirement Plan, Resurgence Asset Management International, L.L.C., Corporate Resurgence, Ltd., Trust “0” for a Portion of the Assets of the Kodak Retirement Income Plan, Kodak Pension Plan, M.D. Sass RE/Enterprise Portfolio Company, L.P., M.D. Sass RE/Enterprise II, L.P., Resurgence Parallel Fund, L.L.C., Resurgence Parallel Fund II, L.L.C., and Resurgence Parallel Fund III, L.L.C.

V. REASONS FOR THE SETTLEMENT

Class Counsel has conducted an investigation and pursued discovery relating to the claims and the underlying events alleged in the Class Action. Class Counsel has analyzed the evidence adduced in its investigation and through discovery, and has researched the applicable law with respect to Plaintiff and the Class. In negotiating and evaluating the terms of the Settlement, Class Counsel considered the legal and factual defenses to Plaintiff’s claims. Class Counsel has received sufficient information to evaluate the merits of the Settlement. Based upon its evaluation, Class Counsel has determined that the Settlement is fair, reasonable and adequate and in the best interests of all Class Members, and that it confers substantial benefits upon the Class Members.

The entry by the Parties into the Settlement is not, and shall not be construed as or deemed to be evidence of, an admission as to the merit or lack of merit of any claims or defenses asserted in the Actions.

Each Released Party denies any and all allegations of its or his wrongdoing, fault, liability or damage in the Actions. Neither the Stipulation, nor the fact or any terms of the Settlement, is evidence, or an admission or concession by any Party in the Actions, any signatory to the Stipulation or any Released Party, of any matter (except as specifically set forth in the Stipulation), including any fault, liability or wrongdoing whatsoever, as to any facts or claims alleged or asserted in the Actions, or any other actions or proceedings. The Stipulation is not a finding or evidence of the validity or invalidity of any claims or defenses in the Actions or any wrongdoing by any of the Defendants or Sterling or any damages or injury to any Class Members. Nothing in the Stipulation constitutes an admission of fact or wrongdoing by any Party.

VI. APPLICATION FOR FEE REIMBURSEMENT AWARD AND SPECIAL AWARD

Concurrent with seeking final approval of the Settlement, Plaintiff intends to petition the Court for a Fee Reimbursement Award of up to \$3,150,000, including the fees and expenses it incurred in connection with bringing and pursuing the Actions, presenting the Settlement to the Court, and defending the Florida Action, which Plaintiff contends are recoverable in these Actions. The Florida Action involved issues that overlapped with issues in the Class Action, and allegations in the Florida Action responded to developments in the Actions. Plaintiff also intends to petition the Court for a Special Award in an amount no greater than \$350,000 for its services over and above the customary responsibilities of a class representative. Plaintiff will make its application for a Fee Reimbursement Award and Special Award not less than twenty-eight calendar days prior to the Settlement Hearing.

VII. SETTLEMENT HEARING

The Court has scheduled a Settlement Hearing, which will be held on December 9, 2016 at 10:00 a.m., in the Court of Chancery, 500 North King Street, Wilmington, DE 19801 to: (a) determine whether to certify the Settlement Class pursuant to Court of Chancery Rule 23; (b) determine whether Plaintiff and Class Counsel have adequately represented the Settlement Class; (c) determine whether the proposed Settlement should be approved as fair, reasonable and adequate; (d) determine whether all Released Claims (as defined in the Stipulation) should be dismissed with prejudice as against the Released Parties; (e) determine whether a Final Order and Judgment approving the Settlement should be entered; (f) determine whether and in what amount any Fee Reimbursement Award and/or Special Award should be paid to Plaintiff out of the Settlement Fund; (g) hear and determine any objections to the Settlement or Plaintiff's application for a Fee Reimbursement Award and/or Special Award; and (h) determine any other matters the Court of Chancery deems appropriate.

The Court has reserved the right to adjourn and reconvene the Settlement Hearing, including the hearing on the application for a Fee Reimbursement Award and/or Special Award, without further notice to Class Members. The Court has also reserved the right to approve the Settlement at or after the Settlement Hearing with such modification(s) as may be consented to by the Parties to the Stipulation and without further notice to the Class.

VIII. RIGHT TO APPEAR AND OBJECT

Any member of the Settlement Class who objects to the Settlement and/or the Order and Final Judgment to be entered by the Court, and/or Plaintiff's application for a Fee Reimbursement Award and/or Special Award, or otherwise wishes to be heard, may appear personally or by counsel at the Settlement Hearing and present any evidence or argument that may be proper and relevant; *provided, however*, that no member of the Settlement Class may be heard, and no papers or briefs submitted by or on behalf of any member of the Settlement Class shall be received and considered, except by Order of the Court for good cause shown, unless, no later than fourteen (14) business days prior to the Settlement Hearing, such person files with the Register in Chancery, Court of Chancery, 500 North King Street, Wilmington, DE 19801, and serves (by hand, e-mail or overnight mail) upon counsel listed below: (a) a written notice of intention to appear; (b) proof of membership in the Settlement Class; (c) a statement of such person's objections to any matters before the Court; and (d) the grounds for such objections and the reasons that such person desires to appear and be heard, as well as all documents or writings such person desires the Court to consider. Such filings shall be served, on or before such filing with the Court, by hand, e-mail or overnight mail upon the following counsel:

Joel Friedlander, Esq.
Jeffrey M. Gorris, Esq.
Friedlander & Gorris P.A.
1201 N. Market Street, Suite 2200
Wilmington, DE 19801
(302) 573-3500

A. Thompson Bayliss, Esq.
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(302) 778-1000

Stephen B. Brauerman, Esq.
Vanessa R. Tiradentes, Esq.
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222 Delaware Avenue, Suite 900
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(302) 655-5000

Thomas W. Briggs, Jr., Esq.
Kevin M. Coen, Esq.
Zi-Xiang Shen, Esq.
Morris, Nichols, Arshat &
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T. Brad Davey, Esq.
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Potter Anderson & Corroon LLP
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Gregory P. Williams, Esq.
Susan M. Hannigan, Esq.
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Lewis H. Lazarus, Esq.
Brett M. McCartney, Esq.
Patricia A. Winston, Esq.
Morris James LLP
500 Delaware Avenue, Suite 1500
Wilmington, DE 19899-2306
(302) 888-6975

David E. Ross, Esq.
S. Michael Sirkin, Esq.
Ross Aronstam & Moritz LLP
100 S. West Street, Suite 400
Wilmington, DE 19801
(302) 576-1600

Unless the Court otherwise directs, no person will be entitled to object to the approval of the Settlement, the judgment to be entered in the Actions, or the application for a Fee Reimbursement Award and/or Special Award, nor will he, she or it otherwise be entitled to be heard, except by serving and filing a written objection as described above.

Any person who fails to object in the manner described above shall be deemed to have waived the right to object (including the right to appeal) and will be forever barred from raising such objection in this or any other action or proceeding.

IX. ORDER AND JUDGMENT OF THE COURT

If the Court determines that the Settlement, as provided for in the Stipulation, is fair, reasonable, adequate and in the best interests of the Settlement Class, the Court will enter a Final Order and Judgment, which will, among other things:

- (a) Determine that the form and manner of notice of the Settlement was the best notice practicable under the circumstances and fully complied with each of the requirements of due process, Delaware Court of Chancery Rule 23, and applicable law;
- (b) Determine that all members of the Settlement Class are bound by the Order and Final Judgment;
- (c) Determine that the Settlement is fair, reasonable and adequate;
- (d) Dismiss the Actions with prejudice against the Defendants and Sterling, on the merits and without costs (except as provided in the Stipulation);
- (e) Fully, finally and forever release, settle and discharge the Released Parties from and with respect to every one of the Released Claims;
- (f) Bar and enjoin Plaintiff, Plaintiff's Principal and any Class Members from instituting, commencing, or prosecuting any and all Released Plaintiff's Claims against any Released Defendant Party; and
- (g) Award Plaintiff a Fee Reimbursement Award and/or Special Award that the Court deems fair and reasonable.

The effectiveness of the Final Order and Judgment shall not be conditioned upon the approval of a Fee Reimbursement Award and/or Special Award, either at all or in any particular amount, by the Court.

X. INSTRUCTIONS TO BROKERS AND OTHERS WHO HELD FOR THE BENEFIT OF OTHERS

Brokerage firms, banks and/or other persons or entities who held shares of Sterling common stock for the benefit of others are requested to immediately send this Notice to all such beneficial owners. If additional copies of the Notice are needed for forwarding to such beneficial owners, any requests for such additional copies or provision of a list of names and mailing addresses of beneficial owners may be made to:

Sterling Chemicals Settlement
Settlement Administrator
PO Box 3230
Portland, OR 97208-3230
888-643-2170
www.sterlingchemicalssettlement.com

XI. SCOPE OF THE NOTICE

This Notice is not all-inclusive. The references in this Notice to the pleadings in the Actions, the Stipulation, and other papers and proceedings are only summaries and do not purport to be comprehensive. For the full details of the Actions, claims which have been asserted by the Parties and the terms and conditions of the Settlement, including a complete copy of the Stipulation, members of the Settlement Class are referred to the Court files in the Actions.

You or your attorney may examine the Court files from the Actions during regular business hours of each business day at the office of the Register in Chancery, New Castle County Courthouse, 500 North King Street, Wilmington, Delaware 19801.

Questions or comments about the Settlement or the litigation may be directed to Class Counsel:

Joel Friedlander, Esq.
Jeffrey M. Gorris, Esq.
Friedlander & Gorris P.A.
1201 N. Market Street, Suite 2200
Wilmington, DE 19801
(302) 573-3500

DO NOT WRITE OR TELEPHONE THE COURT.

Dated: September 7, 2016