

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF PENNSYLVANIA

In re CONSTAR INT'L INC. SECURITIES LITIGATION	)	Master File No. 03cv05020
	)	
This Document Relates To:	)	<u>CLASS ACTION</u>
	)	
ALL ACTIONS.	)	
	)	
	)	

NOTICE OF PROPOSED SETTLEMENT, MOTION FOR ATTORNEYS' FEES AND EXPENSES AND SETTLEMENT  
FAIRNESS HEARING

**TO: ALL PERSONS WHO PURCHASED CONSTAR INTERNATIONAL INC. ("CONSTAR" OR THE "COMPANY")  
SECURITIES PURSUANT OR TRACEABLE TO THE REGISTRATION/PROSPECTUS FOR THE COMPANY'S  
NOVEMBER 14, 2002 INITIAL PUBLIC OFFERING**

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. YOUR RIGHTS MAY BE AFFECTED BY PROCEEDINGS IN THIS LITIGATION. PLEASE NOTE THAT IF YOU ARE A CLASS MEMBER, YOU MAY BE ENTITLED TO SHARE IN THE PROCEEDS OF THE SETTLEMENT DESCRIBED IN THIS NOTICE. TO CLAIM YOUR SHARE OF THE SETTLEMENT PROCEEDS, YOU MUST SUBMIT A VALID PROOF OF CLAIM FORM **POSTMARKED ON OR BEFORE JANUARY 3, 2013.**

THIS NOTICE SUPPLEMENTS THE NOTICE OF PENDENCY OF CLASS ACTION MAILED IN JULY 2011.

This Notice has been sent to you pursuant to Rule 23 of the Federal Rules of Civil Procedure and an Order of the United States District Court for the Eastern District of Pennsylvania (the "Court"). The purpose of this Notice is to inform you of the proposed settlement of the Action and of the hearing to be held by the Court to consider the fairness, reasonableness, and adequacy of the Settlement as well as counsel's application for fees and expenses, and awards to the Lead Plaintiffs for their service to the Class. This Notice describes the rights you may have in connection with your participation in the Settlement, what steps you may take in relation to the Settlement and this class action, and, alternatively, what steps you must take if you wish to be excluded from the Settlement and this Action.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
<b>SUBMIT A CLAIM FORM</b>	The only way to get a payment. Claim forms must be postmarked on or before <b>January 3, 2013.</b>
<b>EXCLUDE YOURSELF</b>	Get no payment. This is the only option that allows you to ever be part of any other lawsuit against the Defendants about the legal claims in this case. Exclusions must be postmarked on or before <b>December 5, 2012.</b> If you previously excluded yourself from the Class in response to the Notice of Pendency of Class Action, you need not do so again.
<b>OBJECT</b>	Write to the Court about why you do not like the Settlement. Objections must be received by the Court and counsel on or before <b>December 5, 2012.</b>
<b>GO TO A HEARING</b>	Ask to speak in Court about the fairness of the Settlement. Requests to speak must be received by the Court and counsel on or before <b>December 5, 2012.</b>
<b>DO NOTHING</b>	Get no payment. Give up rights.

SUMMARY NOTICE

**Statement of Plaintiff Recovery**

Pursuant to the Settlement described herein, a \$23.5 million Settlement Fund is being provided. Lead Plaintiffs estimate that the average recovery under the Settlement is roughly \$2.19 per damaged share before deduction of any taxes on the income thereof, notice and administration costs and the attorneys' fee and expense award as determined by the Court. A Class Member's actual recovery will be a proportion of the Net Settlement Fund determined by that claimant's Recognized Claim as compared to the total Recognized Claims submitted. An individual Class Member may receive more or less than this average amount depending on the number of claims submitted, and whether those shares were held or sold, and, if sold, when they were sold and the amount received. See Plan of Allocation as set forth at pages 7-8 below for more information on your Recognized Claim.

**Statement of Potential Outcome of Case**

The parties disagree on both liability and damages and do not agree on the average amount of damages per share that would be recoverable if the Lead Plaintiffs were to have prevailed on each claim alleged. The Defendants deny that they are liable to the Lead Plaintiffs or the Class and deny that Lead Plaintiffs or the Class have suffered any damages.

## **Statement of Attorneys' Fees and Expenses Sought**

Lead Counsel will apply to the Court for an award from the Settlement Fund of attorneys' fees not to exceed thirty percent (30%) of the Settlement, plus expenses not to exceed \$1,750,000, plus interest earned on both amounts. In addition, each of the Lead Plaintiffs intend to seek an amount not to exceed \$15,000 for their time and expenses incurred in representing the Class. Since the Action's inception, Plaintiffs' Counsel have expended considerable time and effort in the prosecution of this Litigation on a contingent fee basis and advanced the expenses of the Litigation in the expectation that if they were successful in obtaining a recovery for the Class they would be paid from such recovery. In this type of litigation it is customary for counsel to be awarded a percentage of the common fund recovery as their attorneys' fees. The requested fees and expenses amount to an average of approximately \$0.82 per damaged share.

## **Further Information**

For further information regarding the Action, this Notice or the Stipulation of Settlement, please contact the Claims Administrator toll-free at 1-877-248-6428, or [www.gilardi.com](http://www.gilardi.com).

You may also contact counsel for Lead Plaintiffs and the Class: Ellen Gusikoff Stewart, Robbins Geller Rudman & Dowd LLP, 655 West Broadway, Suite 1900, San Diego, California 92101, Telephone (800) 449-4900.

## **Reasons for the Settlement**

The principal reason for the Settlement is the benefit to be provided to the Class now. This benefit must be compared to the risk that no recovery might be achieved after a contested trial and likely appeals, possibly years into the future.

## **BASIC INFORMATION**

### **1. Why did I get this notice package?**

You or someone in your family may have purchased Constar securities pursuant or traceable to the Registration Statement for Constar's November 14, 2002 initial public offering.

The Court directed that this Notice be sent to Class Members because they have a right to know about the proposed Settlement of this class action lawsuit, and about all of their options, before the Court decides whether to approve the Settlement. If the Court approves the Settlement and after objections and appeals, if any, are resolved, the Claims Administrator appointed by the Court will make the payments provided for in the Settlement.

This Notice explains the class action lawsuit, the Settlement, Class Members' legal rights, what benefits are available, who is eligible for them, and how to get them.

The Court in charge of the Action is the United States District Court for the Eastern District of Pennsylvania, and the case is known as *In re Constar Int'l Inc. Securities Litigation*, Master File No. 03cv05020. The case has been assigned to the Hon. Edmund V. Ludwig. The individuals who sued are the Lead Plaintiffs, and the companies and the persons they sued and who have now settled with Lead Plaintiffs are called the Defendants.<sup>1</sup>

### **2. What is this lawsuit about?**

The Consolidated Amended Class Action Complaint filed June 18, 2004 (the "Complaint") generally alleges, among other things, that the Individual Defendants, the Underwriter Defendants and Constar's former parent company, Crown Holdings, Inc., made a number of false and misleading statements in the Registration Statement for Constar's November 14, 2002 initial public offering. These allegedly false statements include, among other things, statements concerning Constar's customer relationships, the quality of its plant and equipment and Constar's ability to commercialize available technology. Lead Plaintiffs allege that these allegedly false statements were made in violation of §11 of the Securities Act of 1933.

Defendants deny that they made any material misstatements or omissions or that Lead Plaintiffs or the Class were harmed by the conduct alleged in the Complaint. Defendants maintain that their conduct was at all times proper and in compliance with applicable provisions of law.

### **3. Why is this a class action?**

In a class action, one or more people called the plaintiffs (in this case, Ameesh Bhandari and Randolph Redstone) sue on behalf of people who have similar claims. All of the people with similar claims are referred to as a Class or Class Members. One court resolves the issues for all Class Members, except for those who exclude themselves from the Class.

### **4. Why is there a settlement?**

Beginning in September 2003, two related putative class actions alleging violations of federal securities laws were filed in the United States District Court for the Eastern District of Pennsylvania and were subsequently consolidated under the above

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<sup>1</sup> Constar filed a voluntary petition under Chapter 11 of the United States Code in the United States Bankruptcy Court for the District of Delaware, which resulted in Constar being dismissed as a defendant in the Litigation on November 4, 2009.

caption and are referred to herein as the "Action" or the "Litigation." The Lead Plaintiffs sought to represent all Class Members. The Court has appointed the law firm of Robbins Geller Rudman & Dowd LLP as Lead Counsel.

On June 18, 2004, Lead Plaintiffs filed the Complaint against Defendants and Constar alleging, among other things, that the Registration Statement for Constar's November 14, 2002 initial public offering was materially false and misleading because it allegedly misrepresented, among other things, the Company's existing and future business plans, current sales trends, the skill of its workforce, the adequacy of its plant and equipment, its customer relationships, its commercial/technological capabilities, its raw material costs, and the amount of goodwill on its financial statements.

On September 23, 2004, Defendants moved to dismiss the Complaint. Lead Plaintiffs filed a memorandum opposing Defendants' motions to dismiss on October 25, 2004. On June 7, 2005, the Court denied Defendants' motion to dismiss. Defendants answered the Complaint, denying all material allegations and asserting defenses thereto. Defendants moved for a judgment on the pleadings, which motions were opposed by Lead Plaintiffs and denied by the Court. Discovery then began.

Lead Plaintiffs filed their motion for class certification on June 8, 2006, which motion was opposed by Defendants. The motion was granted by the Court on March 5, 2008. Defendants appealed the decision to the United States Court of Appeals for the Third Circuit. The Third Circuit affirmed the District Court's ruling.

In 2006, the parties held a mediation with an experienced mediator, but no settlement was reached and litigation continued. In 2011, the parties attended a mediation before the Hon. William J. Cahill (Ret.), and again, no settlement was reached. During 2012, the parties held a number of settlement discussions, and in June 2012, the parties reached an agreement-in-principle to resolve the Litigation, on the terms set forth in the Stipulation of Settlement and described generally in this Notice.

The Defendants deny any liability to Lead Plaintiffs and the Class. The Defendants deny any wrongdoing whatsoever and their agreement to settle this Action shall in no event be construed or deemed to be evidence of or an admission or concession on the part of any of the Defendants with respect to any claim or of any fault or liability or wrongdoing or damage whatsoever, or any infirmity in the defenses that the Defendants have asserted.

The Court did not decide in favor of Lead Plaintiffs or Defendants. Instead, both sides agreed to the Settlement to avoid the risks and cost of a trial. The Lead Plaintiffs and Lead Counsel believe the Settlement is in the best interest of all Class Members in light of the real possibility that continued litigation would delay any recovery by the Class and could result in no recovery at all.

### WHO IS IN THE SETTLEMENT

To see if you will get money from this Settlement, you first have to decide if you are a Class Member.

5. How do I know if I am part of the Settlement?

The Court directed that everyone who fits this description is a Class Member: ***all persons who purchased the securities of Constar issued pursuant to or traceable to the Company's Registration Statement/Prospectus for Constar's November 14, 2002 initial public offering***, except those persons and entities that are excluded, as described below.

6. Are there exclusions from the Class?

Excluded from the Class are the Defendants, members of the immediate families of each of the Individual Defendants, any parent, officer and/or director of the corporate Defendants, any person, firm, trust, corporation, officer, director or other individual or entity in which any Defendant has a controlling interest or which is related to or affiliated with any of the Defendants, and the legal representatives, agents, affiliates, heirs, successors-in-interest or assigns of any such excluded party. Also excluded from the Class are any Class Members who excluded themselves by submitting a request for exclusion in accordance with the Notice of Pendency of Class Action, mailed to Class Members in July 2011, and any Class Members who timely and validly exclude themselves pursuant to the requirements set forth in this Notice.

If one of your mutual funds owned or owns shares of Constar common stock, that alone does not make you a Class Member. You are a Class Member only if you purchased Constar common stock in or traceable to the initial public offering. Contact your broker to see if you purchased or held Constar common stock.

If you sold Constar common stock, that alone does not make you a Class Member. You are a Class Member only if you ***purchased*** Constar common stock, as defined above.

7. What if I am still not sure if I am included?

If you are still not sure whether you are included, you can ask for free help. You can contact the Claims Administrator toll-free at 1-877-248-6428, or you can fill out and return the Proof of Claim form enclosed with this Notice package, to see if you qualify.

### THE SETTLEMENT BENEFITS – WHAT YOU GET

8. What does the Settlement provide?

In exchange for the settlement and dismissal of the Action, the Defendants' insurers have agreed to the payment of \$23.5 million to be divided, after taxes, fees, and expenses, among all Class Members who send in valid Proof of Claim forms.

9. How much will my payment be?

Your share of the fund will depend on the total Recognized Claims represented by the valid Proof of Claim forms that Class Members send in, the number of shares of Constar common stock you purchased, and when you purchased and/or sold them.

By following the instructions on the Plan of Allocation, you can calculate what is called your Recognized Claim. It is unlikely that you will get a payment for all of your Recognized Claim. After all Class Members have sent in their Proof of Claim forms, the payment you get will be a part of the Net Settlement Fund equal to your Recognized Claim divided by the total of everyone's Recognized Claim. See the Plan of Allocation at pages 7-8 hereof for more information on your Recognized Claim.

**HOW YOU GET A PAYMENT – SUBMITTING A CLAIM FORM**

10. How can I get a payment?

To qualify for a payment, you must send in a Proof of Claim form. A Proof of Claim form is enclosed with this Notice. Read the instructions carefully, fill out the Proof of Claim form, include all the documents the form asks for, sign it, and mail it postmarked no later than January 3, 2013.

11. When would I get my payment?

The Court will hold a Fairness Hearing on December 19, 2012, to decide whether to approve the Settlement. If the Court approves the Settlement, appeals may follow. It is always uncertain whether these appeals can be resolved, and resolving them can take time, perhaps more than a year. It also takes time for all the Proof of Claim forms to be processed. Please be patient.

12. What am I giving up to get a payment or to stay in the Class?

Unless you exclude yourself, you will remain a Class Member, and that means that, if the Settlement is approved, you will release all "Released Plaintiffs' Claims" (as defined below) including "Unknown Claims" (as defined below) against the "Released Persons" (as defined below):

- "Released Plaintiffs' Claims" means all actions, claims, debts, demands, causes of action and rights and liabilities whatsoever (including, but not limited to, any claims for damages, interest, attorneys' fees, expert, or consulting fees and any other costs, expenses, or liabilities whatsoever), at law or in equity, matured or unmatured, foreseen or unforeseen, known or unknown, suspected or unsuspected, contingent or non-contingent, whether class or individual in nature, against the Released Persons, belonging to Lead Plaintiffs and/or any or all Class Members and/or their present or past heirs, executors, estates, administrators, predecessors, successors, assigns, parents, subsidiaries, associates, affiliates, employers, employees, agents, insurers, reinsurers, directors, managing directors, officers, partners, principals, members, managing members, attorneys, financial and other advisors, investment bankers, underwriters, lenders, any other representatives of any of these persons and entities, and any other Person claiming through or on behalf of them, and any Persons they represent (collectively, the "Releasing Persons"), arising under United States federal, state, local, statutory, or common law, or any other law, rule or regulation, whether foreign or domestic, based upon, arising out of, or relating to, in any way, the purchase of Constar securities pursuant or traceable to the Registration Statement for Constar's November 2002 initial public offering. In addition, upon the Effective Date, the Releasing Persons shall be deemed to have covenanted not to sue the Released Persons with respect to all such Released Plaintiffs' Claims. Released Plaintiffs' Claims includes "Unknown Claims" as defined below.
- "Released Persons" means Defendants and each of their current and former respective parent entities, affiliates (including, but not limited to, Constar), subsidiaries, predecessors, successors, families, associates, executors, personal representatives, and heirs, and, as to each of the foregoing, all of their past, present or future officers, directors, employees, managers, members, managing members, fiduciaries, managing directors, principals, advisors, agents, managing agents, direct or indirect equity holders, controlling persons, stockholders, general or limited partners or partnerships, attorneys, legal counsel, consultants, insurers, co-insurers, reinsurers, accountants, auditors, underwriters, engineers, advisors, financial advisors, investment advisors, commercial bank lenders, banks, investment bankers, associates, member firms, partners, joint ventures, limited liability companies, corporations, divisions, shareholders, principals, trusts, trustees, foundations, family members, beneficiaries, distributors, heirs, executors, personal or legal representatives, estates, administrators, predecessors, successors, indemnitors, indemnitees, related or affiliated entities, any entity in which any Defendant has a majority interest, assigns, any trust of which any Individual Defendant is the settler or which is for the benefit of any Individual Defendant and/or members of his family, and any other representative of any of these persons or entities or their successors.
- "Unknown Claims" means any Released Plaintiffs' Claim which the Lead Plaintiffs or any Class Members do not know or suspect to exist in his, her or its favor at the time of the release of the Released Persons, which, if known by him, her or it, would or might have affected his, her or its decision(s) with respect to the Settlement; and any Released Defendants' Claim which any Defendant does not know or suspect to exist in his or its favor at the time of the release of the Released Persons, which, if known by him or it, would or might have affected his or its decision(s) with respect to the Settlement. Lead Plaintiffs or the Class Members may hereafter discover facts in addition to or different from those which he, she or it now knows or believes to be true with respect to the subject matter of the Released Plaintiffs' Claims, but Lead Plaintiffs and the Class Members shall expressly, upon the Effective Date, be deemed to have, and by operation of the Order and Final Judgment shall have, fully, finally, and forever settled and

released any and all Released Plaintiffs' Claims (including Unknown Claims, as defined herein), known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore have existed, upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct that is negligent, intentional, with or without malice, or a breach of any duty, law or rule, without regard to the subsequent discovery or existence of such different or additional facts. Likewise, Defendants may hereafter discover facts in addition to or different from those which he or it now knows or believes to be true with respect to the subject matter of the Released Defendants' Claims, but Defendants shall expressly waive, and by operation of the Order and Final Judgment shall have fully, finally, and forever settled and released any and all Released Defendants' Claims (including Unknown Claims, as defined herein), known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore have existed, upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, breach of any duty, law or rule, without regard to the subsequent discovery or existence of such different or additional facts. Lead Plaintiffs and Defendants acknowledge, and the Class Members by operation of law shall be deemed by operation of the Order and Final Judgment to have acknowledged, that the inclusion of "Unknown Claims" in the definition of Released Plaintiffs' Claims and Released Defendants' Claims was separately bargained for and was a key element of the Settlement, of which this release is a material and essential part, and expressly waive the benefits of (i) the provisions of §1542 of the California Civil Code, which provides that:

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 (ii) any and all provisions, rights and benefits conferred by any law of any state or territory of the United States, or principle of common law, which is similar, comparable or equivalent to California Civil Code §1542.

If you remain a member of the Class, all of the Court's orders will apply to you and legally bind you.

#### **EXCLUDING YOURSELF FROM THE SETTLEMENT**

If you do not want a payment from this Settlement, but you want to keep the right to sue one or more of the Defendants and the other Released Persons, on your own, about the legal issues in this case, then you must take steps to remove yourself from the Settlement. This is called excluding yourself – or is sometimes referred to as "opting out." **If you previously excluded yourself in response to the Notice of Pendency of Class Action, you need not do so again.**

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

To exclude yourself from the Class, you must send a letter by first class mail stating that you "request exclusion from the Class in *In re Constar Int'l Inc. Securities Litigation*, Master File No. 03cv05020." Your letter should include the date(s), price(s), and number(s) of all purchases and sales of Constar common stock pursuant or traceable to the Registration Statement for Constar's initial public offering. In addition, you must include your name, address, telephone number, and your signature. You must mail your exclusion request **postmarked no later than December 5, 2012** to:

*Constar Int'l Securities Litigation*  
EXCLUSIONS  
Claims Administrator  
c/o Gilardi & Co. LLC  
P.O. Box 8040  
San Rafael, CA 94912-8040

You cannot exclude yourself by telephone or by e-mail. If you ask to be excluded, you will not get any payment, and you cannot object to the Settlement. You will not be legally bound by anything that happens in this lawsuit, and you may be able to sue the Defendants and the other Released Persons in the future.

#### **14. If I do not exclude myself, can I sue the Defendants and the other Released Persons for the same thing later?**

No. Unless you exclude yourself, you give up any rights to sue the Defendants and the other Released Persons for any and all Released Plaintiffs' Claims. If you have a pending lawsuit against the Released Persons speak to your lawyer in that case immediately. You must exclude yourself from this Action to continue your own lawsuit. Remember, the exclusion deadline is December 5, 2012.

#### **15. If I exclude myself, can I get money from the proposed Settlement?**

No. If you exclude yourself, you may not send in a Proof of Claim form to ask for any money. But, you may sue or be part of a different lawsuit against the Defendants and the other Released Persons.

## THE LAWYERS REPRESENTING YOU

16. Do I have a lawyer in this case?

The Court ordered that the law firm of Robbins Geller Rudman & Dowd LLP represent the Lead Plaintiffs and the Class Members, including you. These lawyers are called Lead Counsel. If you want to be represented by your own lawyer, you may hire one at your own expense.

17. How will the lawyers be paid?

Lead Counsel will move the Court to award attorneys' fees in an amount not greater than thirty percent (30%) of the Settlement Fund and for expenses in an amount not to exceed \$1,750,000, which were incurred in connection with the Litigation. In addition, one or both of the Lead Plaintiffs will seek an amount not to exceed \$15,000 for their time and expenses in service to the Class. Such sums as may be approved by the Court will be paid from the Settlement Fund.

## OBJECTING TO THE SETTLEMENT

18. How do I tell the Court that I do not like the proposed Settlement?

If you are a Class Member, you can object to the proposed Settlement if you do not like any part of it. You can give reasons why you think the Court should not approve it. The Court will consider your views. To object, you must send a signed letter saying that you object to the proposed Settlement in the *In re Constar Int'l Inc. Securities Litigation*, Master File No. 03cv05020. Be sure to include your name, address, telephone number, and your signature, identify the date(s), price(s), number(s) of shares of Constar common stock you purchased and sold pursuant or traceable to Constar's initial public offering, and state the reasons why you object to the proposed Settlement. Mail the objection to each of the following addresses so that it is received by each no later than December 5, 2012:

### COURT:

CLERK OF THE COURT  
United States District Court  
Eastern District of  
Pennsylvania  
James A. Byrne United  
States Courthouse  
601 Market Street  
Philadelphia, PA 19106

### LEAD COUNSEL:

ROBBINS GELLER RUDMAN  
& DOWD LLP  
Ellen Gusikoff Stewart  
655 West Broadway, Suite 1900  
San Diego, CA 92101

### DEFENDANTS' COUNSEL:

DECHERT LLP  
Steven B. Feirson  
Michael S. Doluisio  
Stuart T. Steinberg  
Cira Centre  
2929 Arch Street  
Philadelphia, PA 19104

MORGAN, LEWIS &  
BOCKIUS LLP  
Marc J. Sonnenfeld  
1701 Market Street  
Philadelphia, PA 19103-2921

19. What is the difference between objecting and excluding?

Objecting is simply telling the Court that you do not like something about the proposed Settlement. You can object only if you stay in the Class. Excluding yourself is telling the Court that you do not want to be part of the Class. If you exclude yourself, you have no basis to object because the case no longer affects you.

## THE COURT'S FAIRNESS HEARING

The Court will hold a hearing to decide whether to approve the proposed Settlement. You may attend and you may ask to speak, but you do not have to.

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

The Court will hold a Fairness Hearing at 11:00 a.m., on Wednesday, December 19, 2012, at the United States District Court for the Eastern District of Pennsylvania, James A. Byrne United States Courthouse, 601 Market Street, Philadelphia, PA 19106. At the Fairness Hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them. The Court will listen to people who have asked to speak at the hearing. The Court may also decide how much to pay to Lead Counsel and the Lead Plaintiffs. After the Fairness Hearing, the Court will decide whether to approve the Settlement. We do not know how long these decisions will take.

21. Do I have to come to the hearing?

No. Lead Counsel will answer questions the Court may have. But, you are welcome to come at your own expense. If you send an objection, you do not have to come to Court to talk about it. As long as you filed your written objection on time,

the Court will consider it. You may also pay your own lawyer to attend, but it is not necessary. Class Members do not need to appear at the hearing or take any other action to indicate their approval.

22. May I speak at the hearing?

If you object to the Settlement, you may ask the Court for permission to speak at the Fairness Hearing. To do so, you must include with your objection (see Question 18 above) a statement saying that it is your "Notice of Intention to Appear in *In re Constar Int'l Inc. Securities Litigation*, Master File No. 03cv05020." Persons who intend to object to the Settlement, the Plan of Allocation, and/or counsel's application for an award of attorneys' fees and expenses and desire to present evidence at the Fairness Hearing must include in their written objections the identity of any witnesses they may call to testify and exhibits they intend to introduce into evidence at the Fairness Hearing. You cannot speak at the hearing if you excluded yourself.

**IF YOU DO NOTHING**

23. What happens if I do nothing at all?

If you do nothing, you will get no money from this Settlement. But, unless you exclude yourself, you will not be able to start a lawsuit or be part of any other lawsuit against the Released Persons about the legal issues in this case, ever again.

**GETTING MORE INFORMATION**

24. Are there more details about the proposed Settlement?

This Notice summarizes the proposed Settlement. More details are in a Stipulation of Settlement dated August 31, 2012 (the "Stipulation"). You can get a copy of the Stipulation and obtain answers to common questions regarding the proposed Settlement by contacting the Claims Administrator toll-free at 1-877-248-6428. A copy of the Stipulation is also available on the Claims Administrator's website at [www.gilardi.com](http://www.gilardi.com).

25. How do I get more information?

For even more detailed information concerning the matters involved in this Action, reference is made to the pleadings, to the Stipulation, to the Orders entered by the Court and to the other papers filed in the Action, which may be inspected at the Office of the Clerk of the United States District Court, Eastern District of Pennsylvania, James A. Byrne United States Courthouse, 601 Market Street, Philadelphia, PA 19106, during regular business hours.

**PLAN OF ALLOCATION OF NET SETTLEMENT FUND AMONG CLASS MEMBERS**

The Settlement Amount of \$23.5 million and any interest earned thereon shall be the Settlement Fund. The Settlement Fund, less all taxes, approved costs, fees and expenses (the "Net Settlement Fund") shall be distributed to Class Members who submit timely and valid Proof of Claim forms to the Claims Administrator ("Authorized Claimants").

The Claims Administrator shall determine each Authorized Claimant's *pro rata* share of the Net Settlement Fund based upon each Authorized Claimant's "Recognized Claim." The Recognized Claim formula is not intended to be an estimate of the amount of what a Class Member might have been able to recover after a trial; nor is it an estimate of the amount that will be paid to Authorized Claimants pursuant to the Settlement. The Recognized Claim formula is the basis upon which the Net Settlement Fund will be proportionately allocated to the Authorized Claimants.

The allocation below is based on the price of Constar common stock of \$5.80 per share, the day the first complaint was filed; September 5, 2003.

**Section 11 Claims for the November 14, 2002 Initial Public Offering**

Initial Public Offering Price	\$12.00 per share
Closing Price on the date the lawsuit was filed (September 5, 2003)	\$5.80 per share

For shares of Constar purchased ***pursuant to or traceable to the Company's offering prospectus dated November 14, 2002***, and

- 1) sold prior to September 5, 2003, the claim per share is the lesser of: (i) the purchase price per share less the sales price per share, or (ii) \$12.00 less the sales price per share.
- 2) retained at the end of September 4, 2003, or, sold on or after September 5, 2003, the claim per share is the lesser of: (i) the purchase price per share less the sales price per share, or (ii) \$6.20 (\$12.00 less \$5.80).

In the event a Class Member has more than one purchase or sale of Constar common stock pursuant or traceable to the initial public offering, all such purchases and sales shall be matched on a First-In First-Out ("FIFO") basis. A purchase or sale of Constar common stock shall be deemed to have occurred on the "contract" or "trade" date as opposed to the "settlement" or "payment" date. The receipt or grant by gift, devise, or operation of law of Constar common stock shall not be deemed a purchase or sale of Constar common stock for the calculation of an Authorized Claimant's Recognized Claim nor shall it be deemed an assignment of any claim relating to the purchase of such shares unless specifically provided in the instrument of gift or assignment. The receipt of Constar common stock in exchange for securities of any other corporation or entity shall not be deemed a purchase or sale of Constar common stock.

To the extent an Authorized Claimant had a gain from his, her, or its overall transactions in Constar common stock, the value of the Recognized Claim will be zero.

Each Authorized Claimant shall be allocated a *pro rata* share of the Net Settlement Fund based on his, her, or its Recognized Claim as compared to the total Recognized Claims of all Authorized Claimants.

Class Members who do not submit acceptable Proofs of Claim will not share in the Settlement proceeds. The Settlement and the Order and Final Judgment of the Court dismissing this Action will nevertheless bind Class Members who do not either submit a request for exclusion or submit an acceptable Proof of Claim.

Please contact the Claims Administrator or Lead Counsel if you disagree with any determinations made by the Claims Administrator regarding your Proof of Claim. If you are unsatisfied with the result, you may ask the Court, which retains jurisdiction over the claims administration process, to decide the issue in your favor by submitting a written request.

Distributions will be made to Authorized Claimants after all claims have been processed and after the Court has finally approved the Settlement. If any funds remain in the Net Settlement Fund by reason of un-cashed distribution checks or otherwise, then, after the Claims Administrator has made reasonable and diligent efforts to have Class Members who are entitled to participate in the distribution of the Net Settlement Fund cash their distributions, any balance remaining in the Net Settlement Fund six (6) months after the initial distribution of such funds shall be used: (a) first, to pay any amounts mistakenly omitted from the initial disbursement or to pay any late, but otherwise valid and fully documented, claims received after the cut-off date used to make the initial distribution, provided that such distributions to any late post-distribution claimants meet all of the other criteria for inclusion in the initial distribution; (b) second, to pay any additional settlement administration fees and expenses, including those of Lead Counsel as may be approved by the Court; and (c) finally, to make a second distribution to claimants who cashed their checks from the initial distribution, after payment of the estimated costs or fees to be incurred in administering the Net Settlement Fund and in making this second distribution, if such second distribution is economically feasible. If, after six months after such re-distribution any funds shall remain in the Net Settlement Fund, then such balance shall be contributed to non-sectarian, not-for-profit, 501(c)(3) organization(s) designated by Lead Counsel.

**SPECIAL NOTICE TO BANKS, SECURITIES BROKERS AND OTHER NOMINEES**

If you purchased Constar common stock pursuant or traceable to Constar's initial public offering for the beneficial interest of a person or organization other than yourself, the Court has directed that, WITHIN SEVEN (7) DAYS OF YOUR RECEIPT OF THIS NOTICE, you either (a) provide to the Claims Administrator the name and last known address of each person or organization for whom or which you purchased such securities during such time period or (b) request additional copies of this Notice and the Proof of Claim form, which will be provided to you free of charge, and within seven (7) days of receipt mail the Notice and Proof of Claim form directly to the beneficial owners of the securities referred to herein. If you choose to follow alternative procedure (b), the Court has directed that, upon such mailing, you send a statement to the Claims Administrator confirming that the mailing was made as directed. You are entitled to reimbursement from the Settlement Fund of your reasonable expenses actually incurred in connection with the foregoing, including reimbursement of postage expense and the cost of ascertaining the names and addresses of beneficial owners. Those expenses will be paid upon request and submission of appropriate supporting documentation. All communications concerning the foregoing should be addressed to the Claims Administrator:

*Constar Int'l Securities Litigation*  
Claims Administrator  
c/o Gilardi & Co. LLC  
P.O. Box 8040  
San Rafael, CA 94912-8040  
(1-877-248-6428)

DATED: September 14, 2012

BY ORDER OF THE COURT  
UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF PENNSYLVANIA