

If Your Farm Produced Grade A Milk In the Southeast Since 2001

A Class Action Lawsuit May Affect Your Rights

A court authorized this notice. You are not being sued.

You could be affected by a class action lawsuit involving the prices paid to dairy farmers for Grade A milk that was produced and sold in the Southeast. If you are receiving this notice, then you are a current or former member of Dairy Farmers of America, Inc. (“DFA”). The class action lawsuit described in this notice is against DFA and other remaining Defendants (for a list of all current Defendants, see Question 3, below). You should read the contents of this notice very carefully.

A Court has ruled that this lawsuit can go forward as a class action that includes former and current members of DFA who produced and sold Grade A milk within Federal Milk Market Orders 5 and 7 (“Southeast”). Orders 5 and 7 include Alabama, Arkansas, Georgia, Mississippi, Louisiana, North Carolina, South Carolina and Tennessee, as well as parts of Florida, Kentucky, Indiana, Missouri, Virginia, and West Virginia.

The case is currently scheduled to go to trial where a jury will determine whether DFA and the other remaining Defendants (see Question 3) have violated the antitrust laws. Your rights are affected, and you have a choice to make now.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS LAWSUIT	
DO NOTHING	<p>Stay in this lawsuit. Await the outcome. Share in possible benefits. Give up certain rights.</p> <p>By doing nothing, you will remain a part of the DFA Subclass suing DFA and the other remaining Defendants, you keep the possibility of getting money or other benefits that may come if Plaintiffs win at trial or the case settles. But, you give up any rights to sue the Defendants on your own about the same legal claims in this lawsuit. If money or benefits are obtained at trial or by settlement, you will be notified about how to ask for a share.</p>
EXCLUDE YOURSELF	<p>Get out of this lawsuit. Get no benefits from it. Keep rights.</p> <p>If you ask to exclude yourself from this lawsuit and money or benefits are later awarded from DFA and/or any of the other remaining Defendants, you won’t share in those. But, you keep any rights to sue the Defendants on your own about the same legal claims in this lawsuit. The process for excluding yourself is explained in this notice.</p>

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BASIC INFORMATION

1. Why was this notice issued?

This lawsuit has been “certified” as a class action for current and former members of DFA (hereafter the “DFA Subclass,” see Question 5 below for a more detailed description). This means that the lawsuit meets the requirements for class actions and may proceed to trial. Because you may be included in the class, you may have decisions to make about your legal rights and options before the jury decides whether the claims against the Defendants on your behalf are correct. This notice explains these decisions.

Judge J. Ronnie Greer, of the United States District Court for the Eastern District of Tennessee, is currently overseeing this case. The case is known as *Sweetwater Valley Farm, Inc., et al. v. Dean Foods Co., et al.*, No. 2:07-CV-208. The people who sued are called Plaintiffs and the people and companies they sued are called Defendants (see Question 3 below).

2. Why is this a class action?

In a class action, one or more people, called class representatives, sue on behalf of people who have similar claims. All these people are a class or class members, except for those who exclude themselves from the class.

In this case, the representative dairy farmers for the DFA Subclass are: William Frazier and Branson McCain, d/b/a McCain Dairy; Jerry Holmes; and Myles Payne d/b/a Payne Dairy, Inc.

3. Who are the Defendants and alleged Co-Conspirators?

Plaintiffs brought this litigation against certain Defendants and alleged Co-Conspirators involved in the marketing, sale, purchase, and processing of Grade A milk produced by dairy farmers in the Southeast.

Current Defendants: DFA, National Dairy Holdings LP (“NDH”), Dairy Marketing Services, LLC (“DMS”), Mid-Am Capital LLC (“Mid-Am”), and Gary Hanman (“Hanman”).

Current Alleged Co-Conspirators: Dean Foods Company (“Dean”), Southern Marketing Agency (“SMA”), James Baird, Dairy.Com, Inc., The Kroger Co., Prairie Farms Dairy, Inc., Robert W. Allen, Jay Bryant, Herman Brubaker, Gregg L. Engles, Michael J. McCloskey, Allen A. Meyer, and Pete Schenkel.

4. What is this lawsuit about?

In the lawsuit Plaintiffs claim that Defendants and their alleged Co-Conspirators violated the antitrust laws by unlawfully conspiring to monopolize and to eliminate competition for the marketing, sale, and purchase of raw Grade A milk in the Southeast and to fix and suppress prices lower than they would have been in a competitive market. This lawsuit seeks to stop Defendants from engaging in the alleged unlawful conduct, as well as other Court-ordered relief (see Question 6 below), and monetary damages for the alleged illegal conduct. Defendants deny that they did anything illegal. Neither the Court nor a jury has yet decided whether Plaintiffs’ claims are correct or that Defendants have done anything illegal.

Defendants deny that they violated the antitrust laws as alleged by Plaintiffs.

Although the Court has ordered that you be sent this notice, you should not interpret the notice as an expression by the Court as to the merits of the claims or any defenses.

5. Who is a member of the DFA Subclass?

The DFA Subclass includes:

All DFA members (whether individuals or entities) who produced Grade A milk within Orders 5 or 7 and sold Grade A milk directly or through an agent to Defendants or Co-Conspirators in Orders 5 or 7 during any time from January 1, 2001 to the present.

If there are multiple owners of your dairy farm, please forward this notice to all of the owners. If this notice reached you

at an address other than the one on the mailing label, or if your address changes, please send your correct address to the Notice Administrator at the address in Question 16.

6. What are the Plaintiffs asking for?

Plaintiffs are asking for monetary damages for what they contend are illegally suppressed prices paid to dairy farmers for raw Grade A milk. Plaintiffs also seek an injunction (court order) to change the way Defendants are allowed to do business. These changes include:

- Enjoining Defendants from continuing to commit the alleged violations of antitrust law;
- Declare null and void the full supply agreements by and between Dean and DFA (these agreements are described in Plaintiffs' consolidated amended complaint which can be found at www.SoutheastDairyClass.com);
- Enjoining DFA, DMS, Mid-Am, and Hanman, and/or any entity controlled by any of them, from entering into full-supply agreements (these agreements are described in Plaintiffs' consolidated amended complaint which can be found at www.SoutheastDairyClass.com); and
- Ordering DFA, Mid-Am, their subsidiaries or joint ventures, to sell some of their fluid Grade A milk bottling plants.

If successful in this lawsuit, Plaintiffs also seek an award of attorneys' fees and costs.

7. Why did I receive other notices about this case and what is different about this notice?

Notice of certification of a class of Southeast dairy farmers was sent on May 18, 2011. On July 28, 2011 the Court "de-certified" the DFA Subclass and postponed the trial set for August 2011. After appointing new DFA Subclass Counsel (see Question 12 below), on February 14, 2012 the Court re-certified the DFA Subclass for purpose of carrying out settlements with Dean Foods ("Dean"), Southern Marketing Agency ("SMA") and James Baird ("Baird"). Notice of the settlements was sent on February 14, 2012, and the deadline for responses was May 1, 2012. On June 1, 2012, the Court re-certified the DFA Subclass for litigation purposes, meaning the DFA Subclass can continue to trial against DFA and the remaining Defendants as a class action lawsuit. This notice informs you of the Court's June 1, 2012 decision to certify the DFA Subclass for litigation purposes, and it has no effect on or relationship to whatever choice you may have made with respect to the earlier settlements with Dean, SMA and Baird.

8. Impact on the settlements with Dean, SMA and Baird?

You previously received notice of settlements with Dean, SMA and Baird. This notice does not apply to the settlements, and your choice about what to do here will not alter or in any way affect your ability to participate in the earlier settlements with Dean, SMA and Baird. This Notice applies to claims against Defendants that have not settled.

9. Is there any money available now?

Plaintiffs seek money damages against DFA and the remaining Defendants in an amount to be determined at trial; however, no money or benefits are available from this portion of the litigation now because a jury has not yet decided whether DFA or any of the remaining Defendants did anything unlawful, and the parties have not settled the case. The case is set for trial on July 10, 2012, where these issues will be decided. There is no guarantee that money or benefits will be obtained. If they are, you will be notified about how to ask for a share.

YOUR RIGHTS AND OPTIONS

The Court has ordered that you be sent this notice now because you have to decide whether to stay in the DFA Subclass or whether to remove yourself from the DFA Subclass before trial, and you have to decide this by July 8, 2012.

10. What happens if I do nothing?

If you do nothing you will automatically remain in the DFA Subclass. You will be bound by all Court orders and jury verdicts, good or bad. If any benefit is awarded, you may need to take action (including filing a claim form to request your share) in order to receive any benefits but a future notice will be sent to let you know.

11. What if I don't want to be in the DFA Subclass?

If you decide not to participate in the lawsuit, you must exclude yourself – this is sometimes referred to as "opting out." If you exclude yourself, you will not receive any benefit that may be obtained as a result of this lawsuit. If you exclude yourself, you will not be bound by any Court orders or jury verdicts and you keep your right to sue Defendants on your

own regarding the issues in this case.

To exclude yourself from the DFA Subclass: You must mail a letter, to the address below, that says you want to be excluded from the DFA Subclass, or fill out and mail the included Request for Exclusion (“Opt-Out”) Form. Include your name, the name of your farm, address, telephone number, and signature(s) of all farm owners. Your request to be excluded must be **received** by July 8, 2012:

SE Dairy DFA Subclass Exclusions
c/o Rust Consulting, Inc.
P.O. Box 2392
Faribault, MN 55021-9092

Call 1-800-874-2297 if you have any questions about how to get out of the DFA Subclass.

THE LAWYERS REPRESENTING YOU

12. **Do I have a lawyer in the case?**

Yes. The Court has appointed Gary E. Brewer, Esq. of Brewer & Terry as DFA Subclass Counsel (1702 West Andrew Johnson Hwy, Morristown, TN 37814; Telephone (423) 587-2730). You will not be charged for this lawyer. If you want to be represented by another lawyer, you may hire one to appear in Court for you at your own expense. If you do get your own attorney or wish to represent yourself, you must notify the Court through the address listed above in this paragraph, making reference to this lawsuit and providing your lawyer’s name and mailing address for future communications.

13. **How will the lawyers be paid?**

You will not have to directly pay any of the fees and expenses of DFA Subclass Counsel. DFA Subclass counsel may request that their fees and expenses be deducted from any money obtained for the DFA Subclass, or paid separately by DFA and the remaining Defendants. Other attorneys, who previously represented the DFA Subclass, may also request that fees and expenses be deducted from any money obtained for the DFA Subclass, or paid separately by DFA and the remaining Defendants.

A TRIAL

14. **How and when will the Court decide who is right?**

If the case is not dismissed or settled, Plaintiffs will have to prove their claims at a trial that is currently scheduled to begin on July 10, 2012 in the United States District Court for the Eastern District of Tennessee, 220 West Depot Street, Suite 200, Greeneville, TN 37743. During the trial, a jury will hear evidence, so that a decision can be reached about whether Plaintiffs or Defendants are right about the claims in the lawsuit.

15. **Will I get money after the trial?**

If Plaintiffs obtain money or benefits as a result of a trial or settlement of the case against DFA and the other remaining Defendants (in addition to the money already obtained in the settlements with Dean, SMA and Baird), you will be notified about how to ask for your share and what other benefits are available. These things are not known now. Information about the case will be posted on the website, www.SoutheastDairyClass.com, as it becomes available.

GETTING MORE INFORMATION

16. **How do I get more information?**

You can get more information at www.SoutheastDairyClass.com, by calling 1-800-874-2297, by emailing info@SoutheastDairyClass.com, or by writing to: SE Dairy Farm Class, c/o Rust Consulting, Inc., P.O. Box 2392, Faribault, MN 55021-9092. Please do not contact the Clerk of the Court or the Judge.

All references in the notice to the pleadings and Court Orders are only summaries. The Complaint and other documents filed in this action are available for review during normal business hours at the offices of the Clerk of Court, United States District Court for the Eastern District of Tennessee, 220 West Depot Street, Suite 200, Greeneville, TN 37743.

Dated: June 8, 2012

BY ORDER OF:
UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF TENNESSEE

**Must be
Received By
July 8, 2012**

REQUEST FOR EXCLUSION (“OPT-OUT”) FORM

For Official Use Only

08

Sweetwater Valley Farms, Inc., et al.

v.

Dean Foods Co., et al., No. 2:07-CV-208
(Eastern District of Tennessee)

Complete this form only if you would like to be removed from the DFA Subclass that was re-certified on June 1, 2012. Your decision to “opt-out” has no effect on or relationship to whatever choice you may have made with respect to the earlier settlements with Dean, SMA and Baird. Before completing this form, you should read the accompanying Notice of Class Action. You should not complete this form if you want to remain a member of the DFA Subclass.

If you would like to be excluded from the DFA Subclass for purposes of pursuing the litigation against DFA and the remaining Defendants, please complete and sign this form and send it by mail to the address below so it is **received** no later than July 8, 2012:

SE Dairy Farm Class Exclusions
c/o Rust Consulting, Inc.
P.O. Box 2392
Faribault, MN 55021-9092

I have read the Notice of Class Action dated June 8, 2012, and state that I do not want to be a member of the DFA Subclass certified against DFA and the other remaining Defendants in *In re Southeastern Milk Antitrust Litigation, Sweetwater Valley Farms, Inc., et al. v. Dean Foods Co., et al.*, No. 2:07-CV-208, currently pending in the United States District Court for the Eastern District of Tennessee. I understand that, by completing this form, I will not be legally bound by anything that happens in this lawsuit against DFA and the other remaining Defendants, and that if money or benefits are later awarded to the class, I will not share in those.

Signature of DFA Subclass Member

Print Name

Telephone (Day)

Date

Last Name

First Name

Farm Name

Farm Address Number or P.O. Box

Farm Street or Road

City

State

Zip Code

Email

