

**JELD-WEN ESOP LITIGATION  
SECOND AMENDED PLAN OF ALLOCATION**

**1. The Settlement Fund.**<sup>1</sup> The Gross Settlement Fund will consist of \$15.5 million paid pursuant to the JELD-WEN Settlement Agreement, plus any earnings and interest accrued thereon. The Net Settlement Fund will be the Gross Settlement Fund minus any expenses incurred by the Fund, including any taxes owed or paid (or reserves to pay taxes or tax expenses) and expenses for tax preparation, any attorneys' fees and expenses awarded, any service award to the Class Representatives, if any, and any other court-approved costs (including the costs to pay for notice) or deductions from the Settlement Fund.

**2. Authorized Claimants.** An Authorized Claimant will be any participant in the JELD-WEN ESOP who either (a) was included in data produced by JELD-WEN and falls within the definition of either or both of the Settlement Classes (and is not excluded from the Class Definition), or (b) submits sufficient evidence demonstrating – initially determined by the Settlement Administrator and ultimately by the Court – membership in one or both of the Settlement Classes ("Authorized Claimants").

**3. Recognized Claim.** The Settlement Administrator shall determine each Authorized Claimant's pro rata share of the Net Settlement Fund based upon each Authorized Claimant's "Recognized Claim."<sup>2</sup>

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<sup>1</sup> Unless otherwise defined in this Plan of Allocation, capitalized terms have the meanings ascribed to them in the Settlement Agreement. In all instances of discrepancy or ambiguity in definitions or otherwise, the terms of the Settlement Agreement shall control.

<sup>2</sup> The Recognized Claim formula is neither an estimate of the amount that a Class Member might have been able to recover after a trial nor an estimate of the amount that actually 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 among the Authorized Claimants.

(a) **Terminated Employees' Recognized Claim.** For the members of the Terminated Employee Class, "Recognized Claim" will mean the difference between: (1) the amount that Terminated Employee's account would have been valued based on the terms of the Plan prior to the 2010 ESOP Amendment and (2) the value of the participant's account as a result of the 2010 ESOP Amendment. For purpose of calculating the amount owed under the terms of the Plan prior to the 2010 ESOP Amendment for (a)(1), a 3% interest rate will be assumed. For purposes of calculating the value of the account as a result of the ESOP Amendment for (a)(2), the value shall be the value of all distributions up to, and including, the Effective Date.

(b) **New Expense Recognized Claim:** The Aggregate Recognized Claim for the New Expense Class will consist of the total expenses charged to the members of the New Expense Class (including the amount charged to the Terminated Employee Class who are also members of the New Expense Class) between 2010 and 2012, minus the expenses reported by the JELD-WEN ESOP on the Form 5500s. The Recognized Claim for each member of the New Expense Class (including members of the Terminated Employee Class who are also members of the New Expense Class) will be that person's pro rata share of the Aggregate Recognized Claim (i.e. the amount that each person's expense was in excess of their proportional share of the amount reported on the Form 5500).

**4. Allocation of the Net Settlement Fund.** The Net Settlement Fund will be allocated as follows:

(a) **Reserve Amount.** The Reserve Amount will consist of the following: (1) the Effective Recovery Percentage<sup>3</sup> multiplied by the amount that all Terminated Employees' Undistributed Shares<sup>4</sup> would have been valued based on the terms of the Plan prior to the 2010 ESOP Amendment minus the value of the participant's Undistributed Shares as a result of the 2010 ESOP Amendment at the Effective Date plus (2) the Effective Recovery Percentage multiplied by the percentage decline of the price of JELD-WEN stock between January 1, 2010 (\$417 per share for participants terminated prior to 2010 and \$364 per share for participants terminated in 2010) and the Effective Date, multiplied by the price per share as of September 30, 2014, multiplied by the number of Undistributed Shares<sup>5</sup> belonging to Terminated Employee Class Members (other than those who are active employees) at the Effective Date. Any Reserve Amounts shall be allocated on a pro-rata basis of the Undistributed Shares belonging to Terminated Employee Class Members at the Effective Date.

(b) **The Initial Distribution Amount.** The Initial Distribution Amount will consist of the Net Settlement Fund minus the Reserve Amount. The Initial Distribution Amount will be distributed as follows:

1. **Allocation of the Initial Distribution Amount Between the Terminated Employee Class and the New Expense Class.**

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<sup>3</sup> "Effective Recovery Percentage" is the percentage recovery to all Class Members net of fees and costs.

<sup>4</sup> The "Effective Date" is the date that the Final Judgment becomes final and non-appealable.

<sup>5</sup> "Undistributed Shares" mean any shares belonging to Terminated Employee Class Members as a result of the 2010 Amendment, for which the Class Member has not received a distribution and are still held in the Plan as of the Effective Date, excluding shares belonging to individuals who are or were re-employed by JELD-WEN.

The Initial Distribution Amount will be allocated between the Terminated Employee Class and the New Expense Class based on the ratio of the Total Recognized Claims for each Class to the Initial Distribution Amount.

2. **Allocation to New Expense Class:** Of the amount allocated to the New Expense Class out of the Initial Distribution Amount, amounts will be allocated to each New Expense Class member based on the proportionate share of each Recognized Claimant's New Expense Class Claim to the amount allocated to the New Expense Class in the Initial Distribution Amount.

3. **Allocation to Terminated Employee Class:** Of the amount allocated to the Terminated Employee Class out of the Initial Distribution Amount, amounts will be allocated to each Terminated Employee Class member based on the proportionate share of each Recognized Claimant's Terminated Employee Class Claim to the amount allocated to the Terminated Employee Class in the Initial Distribution Amount.

(c) **Distribution of Reserve Amount to Terminated Employee Class Members With ESOP Accounts in Stock After Final Judgment**

For any Terminated Employee Class Members who continue to have shares in their JELD-WEN ESOP accounts after the Effective Date -- excluding any shares held by Terminated Employee Class Members who elected to receive or convert their settlement distribution in the form of JELD-WEN stock or who are active employees -- (the Undistributed Terminated Employee Class Accounts), the Court shall select one of the following two options to distribute the Reserve Amount to those Terminated Employee Class Members:

1. Immediate distribution of the Reserve Amount to Terminated Employee Class Members who have Undistributed Shares in their JELD-WEN ESOP accounts after the Effective Date on a pro rata basis based on those Undistributed Shares, or,

2. No earlier than the JELD-WEN ESOP makes its 2016 distribution (so long as the Effective Date has occurred) on the following basis:

A. To the extent that the price per share of JELD-WEN stock used at the then-most recent distribution is at or above the Adjusted Share Price<sup>6</sup> as of January 1, 2010, no Distribution will be made to the Undistributed Terminated Employee Class Accounts.

B. To the extent that the price per share of JELD-WEN stock used at the then-most recent distribution (e.g. the 2016 distribution) is below the Adjusted Share Price as of January 1, 2010, then the Reserve Amount will be distributed to pay the difference, multiplied by the Effective Recovery Percentage, to the Undistributed Terminated Employee Class Accounts (other than those who are active employees) up to the Reserve Amount distributed on a *pro rata* basis based on the amount of shares in each of the Undistributed Terminated Employee Class Accounts.

(d) **Final Distribution of Remaining Amounts to All Class Members.** The Final Distribution Amount will consist of whatever remains in the Net Settlement Fund after

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<sup>6</sup> The “Adjusted Share Price” is the price per share as of the date designated (in this case, the January 1, 2010 per share price of \$417), adjusted with a return of 3% interest (the Passbook Savings Rate) compounded annually starting on the latter of: (1) January 1, 2010, or (2) the date that the value of their account would have become fixed under the terms of the Plan prior to the 2010 Amendment, and ending on the Effective Date.

the Reserve Amount, if any, is distributed to Undistributed Terminated Employee Class Accounts, less any reserve necessary to pay taxes or tax expenses. The Final Distribution Amount will be distributed as follows:

1. **Allocation of the Final Distribution Amount Between the Terminated Employee Class and the New Expense Class.**

The Final Distribution Amount will be allocated between the Terminated Employee Class and the New Expense Class based on the ratio of the Total Recognized Claims for each Class to the Final Distribution Amount.

2. **Allocation to New Expense Class:** Of the amount allocated to the New Expense Class out of the Final Distribution Amount, amounts will be allocated to each New Expense Class member based on the proportionate share of each Recognized Claimant's New Expense Class Claim to the amount allocated to the New Expense Class in the Final Distribution Amount.

3. **Allocation to Terminated Employee Class:** Of the amount allocated to the Terminated Employee Class out of the Final Distribution Amount, amounts will be allocated to each Terminated Employee Class member based on the proportionate share of each Recognized Claimant's Terminated Employee Class Claim to the amount allocated to the Terminated Employee Class in the Final Distribution Amount.

5. **Distributions to the JELD-WEN ESOP Accounts.** Allocations of the Net Settlement Fund will be made by depositing into each Authorized Claimant's JELD-WEN ESOP account his or her pro rata share of the Net Settlement Fund. In the event that an Authorized Claimant no longer has an account in the JELD-WEN ESOP at the time the Net Settlement Fund

is distributed, an account for the Authorized Claimant will be created or recreated to deposit the Authorized Claimant's pro rata share of the Net Settlement Fund into the account.

**7. Minimum Amount Required To Receive Allocation.** No Authorized Claimant will receive an allocation if the amount to be allocated is less than \$5 in the Initial Distribution. For all subsequent distributions (i.e. the Reserve Distribution or Final Distribution) an allocation will be made to an Authorized Claimant only if the amount of distribution exceeds \$50. An Authorized Claimant whose ESOP account was completely distributed prior to the Effective Date, will receive an allocation only if the amount to be allocated exceeds \$50. For accounts under the thresholds in this paragraph, the amount to be allocated will be deemed to be zero and reallocated on a pro-rata basis among the remaining accounts.

**8. Distribution of Residual Funds.** In the event that monies remain in the Net Settlement fund after distribution of the Final Distribution Amount and after all taxes and other expenses have been paid, those residual amounts will be distributed to non-sectarian, non-profit 501(c)(3) charitable organization(s) recommended by Co-Lead Class Counsel and approved by the Court

**9. Continuing Jurisdiction.** The Court shall retain jurisdiction over implementation of the Settlement and disposition of the Settlement Fund, including to allow, disallow, or adjust the claim of any Class Member on equitable grounds.