UNITED STATES DISTRICT COURT FOR THE DISTRICT OF NEW JERSEY

| IN RE DUCTILE IRON PIPE FITTINGS ("DIPF") INDIRECT PURCHASER ANTITRUST LITIGATION |)))) Civil Action No. 12-169 (AET)(LHG))))))))) |
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DEFENDANT MCWANE, INC.'S ANSWER TO PLAINTIFFS' SECOND AMENDED CLASS ACTION COMPLAINT

OF COUNSEL:

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Defendant McWane, Inc. ("McWane") hereby responds to the Indirect Purchaser Plaintiffs' Second Amended Class Action Complaint as follows:

Nature of Action

- 1. The allegations in paragraph 1 contain legal conclusions and argument to which no response is required. To the extent a response may be required, McWane denies the allegations in paragraph 1.
- 2. McWane admits that the allegations contained in paragraph 2 provide a generally accurate description of the matters referenced therein.
- 3. The allegations in paragraph 3 contain legal conclusions and argument to which no response is required. To the extent a response may be required, McWane admits on information and belief that McWane, Sigma, and Star were the primary sellers, importers, and manufacturers of DIPF in the 2008-2010 time period. McWane lacks sufficient information to admit or deny the remaining allegations of paragraph 3, and avers on information and belief that wholesale distributors have substantial market power in relation to suppliers of DIPF.
- 4. To the extent the allegations of paragraph 4 are directed to McWane, McWane denies the allegations in paragraph 4. To the extent the allegations of paragraph 4 are directed to parties other than McWane, McWane lacks sufficient information to admit or deny those allegations, and therefore denies them.
- 5. McWane admits that Congress passed the American Recovery and Reinvestment Act of 2009 (ARRA) which established certain funds available for potential use in water infrastructure projects using domestically produced materials. Such materials could include, among other things, domestically-produced DIPF. McWane admits that at the time ARRA was enacted, McWane was the sole remaining U.S. manufacturer of a full line of domestic DIPF in the most commonly used size ranges. McWane denies that there is or was a separate "Domestic DIPF Market," as domestic and non-domestic DIPF are functionally equivalent and

interchangeable. McWane thus denies that it possessed a monopoly in any such alleged market. The remaining allegations of paragraph 5 are directed to parties other than McWane and concern the opinions and perceptions of parties other than McWane, requiring no response from McWane. To the extent a response is required, McWane admits that Star announced it would sell domestically-manufactured DIPF in June, 2009 and began selling domestically-manufactured DIPF later that year. On information and belief, McWane denies that Sigma took any material steps to begin manufacturing domestically-produced DIPF. Except to the extent expressly admitted herein, McWane denies the allegations in paragraph 5.

- 6. McWane denies the allegations in paragraph 6.
- 7. McWane denies the allegations in paragraph 7.
- 8. McWane denies the allegations in paragraph 8.
- 9. The allegations in paragraph 9 contain legal conclusions and argument to which no response is required. To the extent a response may be required, McWane denies the allegations in paragraph 9, to the extent those allegations are directed to McWane, and specifically denies (i) that McWane engaged in a conspiracy or any other unlawful conduct, (ii) that any of the Plaintiffs has been injured, and (iii) that class treatment is appropriate or available for this action. In fact, this Court determined, in its October 2, 2013 order, that some of the Plaintiffs failed to demonstrate that they indirectly purchased DIPF during the relevant time period. McWane incorporates by reference, as if set forth herein fully, its responses to paragraphs 15 through 43 below. To the extent the allegations in paragraph 9 are directed to other Defendants, McWane lacks sufficient knowledge at this time to admit or deny the allegations, and therefore denies them.
- 10. The allegations in paragraph 10 contain legal conclusions and argument to which no response is required. To the extent a response may be required, McWane denies the allegations in paragraph 10, and specifically denies (i) that McWane has violated federal antitrust laws, state antitrust, unfair competition, or consumer protection laws, or common law unjust

enrichment principles, (ii) that any of the Plaintiffs has been injured, and (iii) that class treatment is appropriate or available for this action. In fact, many of the claims recited in paragraph 10 were dismissed by this Court in its October 2, 1013 order, including the Sherman Act and Clayton Act claims, the unjust enrichment claim, certain state law claims, and the claims of certain Plaintiffs in their entirety. To the extent the allegations in paragraph 10 are directed to other Defendants, McWane lacks sufficient information to admit or deny those allegations, and therefore denies them.

Jurisdiction and Venue

- 11. The allegations in paragraph 11 relating to whether "[t]his Court has jurisdiction over the subject matter of this action" are legal conclusions to which no response is required. To the extent a response may be required, McWane denies the allegations contained in paragraph 11, and specifically denies that this Court has subject matter jurisdiction pursuant to the Clayton Act or the Sherman Act, as those claims have been dismissed pursuant to this Court's October 2, 2013 order. McWane admits that Plaintiffs seek to allege various state law claims on behalf of a class, but denies (i) that Plaintiffs are entitled to any relief, and (ii) that class treatment is appropriate or available for this action.
- 12. The allegations in paragraph 12 relating to whether "[v]enue is proper in this District" are legal conclusions to which no response is required. To the extent a response may be required, McWane denies the allegations contained in paragraph 12.
- 13. The allegations in paragraph 13 relating to whether "[t]his Court has *in personam* personal jurisdiction over each of the Defendants" are legal conclusions to which no response is required. To the extent a response may be required, McWane denies the allegations contained in paragraph 13 as to McWane, and specifically denies the allegation that it "committed acts in this district in furtherance of the conspiracy alleged herein and directed the unlawful conspiracy through persons and entities located in this district, including fixing the prices of DIPF sold to purchasers in this district." McWane lacks sufficient knowledge at this time to admit or deny the

allegations contained in paragraph 13 regarding other Defendants, and therefore denies them.

14. The allegations in paragraph 14 contain legal conclusions and argument to which no response is required. To the extent a response may be required, McWane admits that it has transacted business in many parts of the United States, but denies (i) that it engaged in illegal, wrongful, or harmful conduct, (ii) that any of the Plaintiffs has been injured, (iii) that it caused damage to the residents of every state, and (iv) that class treatment is appropriate or available for this action. This Court, in its October 2, 2013 order, dismissed Plaintiffs' federal antitrust claims, unjust enrichment claims, and state law claims except for certain claims under New Hampshire, North Carolina, Florida, Kansas, Michigan and New York law, and McWane thus specifically denies the allegations contained in paragraph 14 with respect to all other jurisdictions. Except to the extent expressly admitted herein, McWane denies the allegations of paragraph 14 as to McWane. To the extent the allegations of paragraph 14 are directed to other Defendants, McWane lacks sufficient knowledge at this time to admit or deny those allegations, and therefore denies them.

Plaintiffs

- 15. McWane lacks sufficient knowledge at this time to admit or deny the allegations contained in paragraph 15, which relate to one of the Plaintiffs.
- 16. McWane lacks sufficient knowledge at this time to admit or deny the allegations contained in paragraph 16, which relate to one of the Plaintiffs.
- 17. McWane lacks sufficient knowledge at this time to admit or deny the allegations contained in paragraph 17, which relate to one of the Plaintiffs.
- 18. Paragraph 18 attempts to state a legal conclusion as to unspecified facts, to which no response is required. To the extent a response is deemed necessary, McWane denies the allegations of paragraph 18 to the extent they are directed to McWane. To the extent the allegations of paragraph 18 are directed to other parties, McWane lacks sufficient information to admit or deny those allegations, and therefore denies them.

- 19. McWane lacks sufficient knowledge at this time to admit or deny the allegations contained in paragraph 19, which relate to one of the Plaintiffs.
- 20. McWane lacks sufficient knowledge at this time to admit or deny the allegations contained in paragraph 20, which relate to one of the Plaintiffs.
- 21. McWane lacks sufficient knowledge at this time to admit or deny the allegations contained in paragraph 21, which relate to one of the Plaintiffs.
- 22. Paragraph 22 attempts to state a legal conclusion as to unspecified facts, to which no response is required. To the extent a response is deemed necessary, McWane denies the allegations of paragraph 22 as to McWane. To the extent the allegations of paragraph 22 are directed to other parties, McWane lacks sufficient information to admit or deny those allegations, and therefore denies them.
- 23. McWane lacks sufficient knowledge at this time to admit or deny the allegations contained in paragraph 23, which relate to one of the Plaintiffs.
- 24. McWane lacks sufficient knowledge at this time to admit or deny the allegations contained in paragraph 24, which relate to one of the Plaintiffs.
- 25. Paragraph 25 attempts to state a legal conclusion as to unspecified facts, to which no response is required. To the extent a response is deemed necessary, McWane denies the allegations of paragraph 25 as to McWane. To the extent the allegations of paragraph 25 are directed to other parties, McWane lacks sufficient information to admit or deny those allegations, and therefore denies them.
- 26. Plaintiff City of Blair's claims were dismissed in their entirety in this Court's October 2, 2013 order. As a result, no response to paragraph 26 is required.
- 27. Plaintiff City of Blair's claims were dismissed in their entirety in this Court's October 2, 2013 order. As a result, no response to paragraph 27 is required.
- 28. McWane lacks sufficient knowledge at this time to admit or deny the allegations contained in paragraph 28, which relate to one of the Plaintiffs.

- 29. McWane lacks sufficient knowledge at this time to admit or deny the allegations contained in paragraph 29, which relate to one of the Plaintiffs.
- 30. McWane lacks sufficient knowledge at this time to admit or deny the allegations contained in paragraph 30, which relate to one of the Plaintiffs.
- 31. Paragraph 31 attempts to state a legal conclusion as to unspecified facts, to which no response is required. To the extent a response is deemed necessary, McWane denies the allegations of paragraph 31 as to McWane. To the extent the allegations of paragraph 31 are directed to other parties, McWane lacks sufficient information to admit or deny those allegations, and therefore denies them.
- 32. Plaintiff City of Fargo's claims were dismissed in their entirety in this Court's October 2, 2013 order. As a result, no response to paragraph 32 is required.
- 33. Plaintiff City of Fargo's claims were dismissed in their entirety in this Court's October 2, 2013 order. As a result, no response to paragraph 33 is required.
- 34. Plaintiff City of Fargo's claims were dismissed in their entirety in this Court's October 2, 2013 order. As a result, no response to paragraph 34 is required.
- 35. McWane lacks sufficient knowledge at this time to admit or deny the allegations contained in paragraph 35, which relate to one of the Plaintiffs.
- 36. McWane lacks sufficient knowledge at this time to admit or deny the allegations contained in the first sentence of paragraph 36, which relate to one of the Plaintiffs. The second sentence of paragraph 36 attempts to state a legal conclusion as to unspecified facts, to which no response is required. To the extent a response is deemed necessary, McWane denies the allegations of paragraph 36 as to McWane. To the extent the allegations of paragraph 36 are directed to other parties, McWane lacks sufficient information to admit or deny those allegations, and therefore denies them.
- 37. McWane lacks sufficient knowledge at this time to admit or deny the allegations contained in paragraph 37, which relate to one of the Plaintiffs.

- 38. McWane lacks sufficient knowledge at this time to admit or deny the allegations contained in the first sentence of paragraph 38, which relate to one of the Plaintiffs. The second sentence of paragraph 38 attempts to state a legal conclusion as to unspecified facts, to which no response is required. To the extent a response is deemed necessary, McWane denies the allegations of paragraph 38 as to McWane. To the extent the allegations of paragraph 38 are directed to other parties, McWane lacks sufficient information to admit or deny those allegations, and therefore denies them.
- 39. McWane lacks sufficient knowledge at this time to admit or deny the allegations contained in paragraph 39, which relate to one of the Plaintiffs.
- 40. McWane lacks sufficient knowledge at this time to admit or deny the allegations contained in the first sentence of paragraph 40, which relate to one of the Plaintiffs. The second sentence of paragraph 40 attempts to state a legal conclusion as to unspecified facts, to which no response is required. To the extent a response is deemed necessary, McWane denies the allegations of paragraph 40 as to McWane. To the extent the allegations of paragraph 40 are directed to other parties, McWane lacks sufficient information to admit or deny those allegations, and therefore denies them.
- 41. Plaintiff Town of Fallsburg's claims were dismissed in their entirety in this Court's October 2, 2013 order. As a result, no response to paragraph 41 is required.
- 42. Plaintiff Town of Fallsburg's claims were dismissed in their entirety in this Court's October 2, 2013 order. As a result, no response to paragraph 42 is required.
- 43. The allegations in paragraph 43 relate to Plaintiffs' speculative beliefs regarding unknown facts, and therefore require no response from McWane. To the extent a response is deemed necessary, McWane lacks sufficient knowledge at this time to admit or deny the allegations contained in paragraph 43, and therefore denies them. McWane specifically denies that class treatment is appropriate or available for this action.

Defendants

- 44. McWane admits that Sigma imports and sells DIPF in the United States. McWane lacks sufficient information to admit or deny the remaining allegations contained in paragraph 44, which concerns a party other than McWane, and therefore denies them.
- 45. McWane admits that it is a Delaware corporation with its principal place of business in Birmingham, Alabama. McWane admits that Clow (located in Coshocton, Ohio), Tyler Pipe (located in Tyler, Texas), and Tyler Union (whose sole remaining domestic foundry is located in Anniston, Alabama), are wholly owned divisions of McWane, and that each division manufactured, imported, marketed or sold products for the waterworks industry in the United States. Except to the extent expressly admitted herein, McWane denies the allegations of paragraph 45.
- 46. McWane admits that Star imports and sells DIPF in the United States. Since 2009, Star has also sold domestically-manufactured DIPF in the United States. McWane lacks sufficient information to admit or deny the remaining allegations contained in paragraph 46, which concern a party other than McWane, and therefore denies them.
- 47. Paragraph 47 attempts to state a legal conclusion as to unspecified facts, to which no response is required. To the extent a response is deemed necessary, McWane denies the allegations of paragraph 47 as to McWane. To the extent the allegations of paragraph 47 are directed to parties other than McWane, McWane lacks sufficient information to admit or deny those allegations, and therefore denies them. No other Defendant acted as a principal or agent of McWane.
- 48. Paragraph 48 attempts to state a legal conclusion as to unspecified facts, to which no response is required. To the extent a response is deemed necessary, McWane denies the allegations of paragraph 48 as to McWane. To the extent the allegations of paragraph 48 are directed to parties other than McWane, McWane lacks sufficient information to admit or deny those allegations, and therefore denies them. No other Defendant acted as a principal or agent

of McWane.

49. Paragraph 49 attempts to state a legal conclusion as to unspecified facts, to which no response is required. To the extent a response is deemed necessary, McWane denies the allegations of paragraph 49 as to McWane. To the extent the allegations of paragraph 49 are directed to parties other than McWane, McWane lacks sufficient information to admit or deny those allegations, and therefore denies them. No other Defendant acted as a principal or agent of McWane.

Factual Allegations

- 50. McWane admits that the allegations contained in paragraph 50 provide a generally accurate description of the matters referenced therein.
- 51. McWane admits that the allegations contained in paragraph 51 provide a generally accurate description of the matters referenced therein.
- 52. McWane admits that the allegations contained in paragraph 52 provide a generally accurate description of the matters referenced therein.
- 53. McWane lacks sufficient knowledge at this time to admit or deny the allegations contained in paragraph 53, and therefore denies them.
- 54. To the extent the allegations of paragraph 54 are directed to McWane, McWane denies the allegations in paragraph 54. To the extent the allegations of paragraph 54 are directed to parties other than McWane, McWane lacks sufficient information to admit or deny those allegations, and therefore denies them.
 - 55. McWane denies the allegations in paragraph 55.
 - 56. McWane denies the allegations in paragraph 56.
- 57. McWane admits that it independently published a multiplier change for its DIPF in January 2008, through letters to its customers which speak for themselves, but otherwise denies the allegations in paragraph 57.
 - 58. The allegations of paragraph 58 are directed to parties other than McWane and

concern the actions of parties other than McWane, therefore requiring no response from McWane.

- 59. The allegations in paragraph 59 contain legal conclusions and argument, including use of the undefined and argumentative terms "accepted" and "adopted," to which no response is required. To the extent the allegations of paragraph 59 relate to McWane, McWane denies the allegations of paragraph 59. To the extent the allegations of paragraph 59 relate to the actions and perceptions of other parties, McWane lacks sufficient information to admit or deny those allegations, and therefore denies them.
- 60. The allegations in paragraph 60 contain legal conclusions and argument, including use of the undefined and argumentative phrase "invitation to collude," to which no response is required. To the extent the allegations of paragraph 60 are directed to McWane, McWane denies the allegations of paragraph 60, and specifically denies that it "invited" any party to "collude." To the extent the allegations in paragraph 60 relate to the actions and perceptions of other parties, McWane lacks sufficient information at this time to admit or deny those allegations, and therefore denies them. To the extent the allegations in paragraph 60 attempt to paraphrase and mischaracterize unidentified "documents obtained by the FTC," McWane lacks sufficient information at this time to admit or deny the allegations relating to the unidentified documents, and therefore denies them.
- 61. The allegations in paragraph 61 contain legal conclusions and argument, including use of the undefined and argumentative phrase "the curtailment of Project Pricing," to which no response is required. Because the allegations in paragraph 61 relate to the actions and perceptions of another party, McWane lacks sufficient information at this time to admit or deny those allegations, and therefore denies them. To the extent the allegations of paragraph 61 are directed to McWane, McWane denies the allegations of paragraph 61, and specifically denies any so-called "curtailment of Project Pricing" ever occurred. To the extent the allegations in paragraph 61 attempt to paraphrase an unidentified document, McWane lacks sufficient

information at this time to admit or deny the allegations relating to the unidentified document, and therefore denies them.

- 62. The allegations in paragraph 62 contain legal conclusions and argument, including use of the undefined and argumentative phrase "curtailment of Project Pricing," to which no response is required. Further, the allegations in paragraph 62 are premature to the extent they call for expert economic analysis. To the extent the allegations of paragraph 62 are directed to McWane, McWane denies the allegations of paragraph 62, and specifically denies any so-called "curtailment of Project Pricing" ever occurred. To the extent the allegations in paragraph 62 relate to the actions and perceptions of other parties, McWane lacks sufficient information at this time to admit or deny those allegations, and therefore denies them.
 - 63. McWane denies the allegations in paragraph 63.
- 64. The allegations in paragraph 64 contain legal conclusions and argument, including use of the undefined and argumentative phrase "exchange of information," to which no response is required. To the extent the allegations of paragraph 64 are directed to McWane, McWane denies the allegations of paragraph 64, and specifically denies that it "formulated a plan to trade its support for higher prices." To the extent the allegations in paragraph 62 relate to the actions and perceptions of other parties, McWane lacks sufficient information at this time to admit or deny those allegations, and therefore denies them.
- 65. The allegations in paragraph 65 contain legal conclusions and argument, including use of the undefined and argumentative phrase "DIFRA information exchange," to which no response is required. To the extent the allegations of paragraph 65 are directed to McWane, McWane admits that it sent limited data regarding tons of its fittings previously shipped, in aggregated product categories, to an independent accounting firm. McWane denies the remaining allegations of paragraph 64 as to McWane. To the extent the allegations in paragraph 64 relate to the actions and perceptions of other parties, McWane lacks sufficient information at this time to admit or deny those allegations, and therefore denies them.

- 66. The allegations in paragraph 66 contain legal conclusions and argument, including use of the undefined and argumentative phrase "DIFRA information exchange," to which no response is required. Further, the allegations in paragraph 66 are premature to the extent they call for expert economic analysis. To the extent the allegations of paragraph 66 are directed to McWane, McWane denies the allegations of paragraph 66, and specifically denies that it engaged in any "price coordination" on the pricing of DIPF. To the extent the allegations in paragraph 66 relate to the actions and perceptions of other parties, McWane lacks sufficient information at this time to admit or deny those allegations, and therefore denies them.
- 67. The allegations in paragraph 67 contain legal conclusions and argument, including use of the undefined and argumentative terms "plan" and "offer," to which no response is required. To the extent the allegations of paragraph 67 are directed to McWane, McWane denies the allegations of paragraph 67, and specifically denies that it "communicated" a "plan" or made an "offer" to Sigma and Star. To the extent the allegations in paragraph 67 relate to the actions and perceptions of other parties, McWane lacks sufficient information at this time to admit or deny those allegations, and therefore denies them.
- 68. The allegations in paragraph 68 contain legal conclusions and argument, including use of the undefined and argumentative terms "acceptance" and "offer," to which no response is required. To the extent the allegations of paragraph 68 are directed to McWane, McWane denies the allegations of paragraph 68, and specifically denies that it made any "offer" to Sigma and Star. To the extent the allegations in paragraph 68 relate to the actions and perceptions of other parties, McWane lacks sufficient information at this time to admit or deny those allegations, and therefore denies them.
- 69. McWane admits that it independently published a multiplier change for its DIPF in June 2008, but otherwise denies the allegations in paragraph 69 as to McWane. To the extent the allegations in paragraph 69 relate to the actions and perceptions of other parties, McWane lacks sufficient information at this time to admit or deny those allegations, and therefore denies

them.

- 70. McWane denies the allegations in paragraph 70.
- 71. The allegations in paragraph 71 contain legal conclusions and argument, including use of the undefined and argumentative term "assurances," to which no response is required. To the extent the allegations of paragraph 71 are directed to McWane, McWane admits that it independently announced in April 2009 that it would be implementing a new price list for its DIPF to become effective May 1, 2009, but denies the remaining allegations of paragraph 71. To the extent the allegations in paragraph 71 relate to the actions and perceptions of other parties, McWane lacks sufficient information at this time to admit or deny those allegations, and therefore denies them.
- 72. The allegations in paragraph 72 contain legal conclusions and argument, including use of the undefined and argumentative term "assurances," to which no response is required. To the extent the allegations of paragraph 72 are directed to McWane, McWane denies the allegations of paragraph 72, and specifically denies that it made gave any "assurances" to Star. To the extent the allegations in paragraph 72 relate to the actions and perceptions of other parties, McWane lacks sufficient information at this time to admit or deny those allegations, and therefore denies them.
- 73. The allegations in paragraph 73 contain legal conclusions and argument, including use of the undefined and argumentative term "arrangement," to which no response is required. To the extent the allegations of paragraph 73 are directed to McWane, McWane denies the allegations of paragraph 73, and specifically denies that it participated in any "arrangement." To the extent the allegations in paragraph 73 relate to the actions and perceptions of other parties, McWane lacks sufficient information at this time to admit or deny those allegations, and therefore denies them.
- 74. The allegations in paragraph 74 contain legal conclusions and argument, to which no response is required. To the extent the allegations of paragraph 74 are directed to McWane,

McWane denies the allegations of paragraph 74, and specifically denies that its senior executives discussed DIPF price or output with the senior executives of other Defendants. To the extent the allegations in paragraph 74 relate to the actions and perceptions of other parties, McWane lacks sufficient information at this time to admit or deny those allegations, and therefore denies them.

- 75. McWane denies the allegations in paragraph 75.
- 76. The allegations in paragraph 76 contain legal conclusions and argument, including use of the argumentative term "relevant market," to which no response is required. To the extent a response is required, McWane denies that it engaged in any unlawful behavior, but admits that domestically produced and foreign produced DIPF are functionally equivalent and interchangeable.
- 77. McWane admits that Congress passed the American Recovery and Reinvestment Act of 2009 (ARRA) which established certain funds available for potential use in water infrastructure projects using domestically produced materials. Such materials could include, among other things, domestically-produced DIPF. Except to the extent expressly admitted herein, McWane denies the allegations of paragraph 77.
- 78. McWane admits that at the time ARRA was enacted, McWane was the sole remaining U.S. manufacturer of a full line of domestic DIPF in the most commonly used size ranges, but denies the remaining allegations in paragraph 78.
 - 79. McWane denies the allegations in paragraph 79.
- 80. The allegations of paragraph 80 are directed to parties other than McWane and concern the opinions and perceptions of parties other than McWane, therefore requiring no response from McWane. To the extent a response is required, McWane admits that Star announced it would sell domestically-manufactured DIPF in June, 2009 and began selling domestically-manufactured DIPF later that year. On information and belief, McWane denies that Sigma took any material steps to begin manufacturing domestically-produced DIPF. McWane also denies that a separate "Domestic DIPF market" exists.

- 81. The allegations of paragraph 81 are directed to parties other than McWane and concern the opinions, actions, and perceptions of parties other than McWane, therefore requiring no response from McWane. To the extent a response is required, McWane admits that Star announced it would sell domestically-manufactured DIPF in June, 2009 and began selling domestically-manufactured DIPF later that year. On information and belief, McWane denies that Sigma took any material steps to begin manufacturing domestically-produced DIPF. McWane also denies that a separate "Domestic DIPF market" exists.
- 82. McWane denies the allegations in paragraph 82, and specifically denies (i) that a separate "Domestic DIPF Market" exists, (ii) that McWane has or had a monopoly, (iii) that McWane excluded other competitors from supplying domestically produced DIPF, and (iv) that McWane impeded competition to supply domestically produced DIPF.
- 83. McWane denies the allegations in paragraph 83, and specifically denies (i) that a separate "Domestic DIPF Market" exists, (ii) that McWane has or had a monopoly, (iii) that McWane excluded other competitors from supplying domestically produced DIPF, and (iv) that McWane controlled prices or imposed unwanted distribution policies on customers.
- 84. The allegations of paragraph 84 are directed to parties other than McWane and concern the opinions, actions, and perceptions of parties other than McWane, therefore requiring no response from McWane. To the extent a response is required, McWane denies, on information and belief, that Sigma took any material steps to begin manufacturing domestically-produced DIPF. McWane also denies that a separate "Domestic DIPF market" exists.
- 85. The allegations of paragraph 85 are directed to parties other than McWane and concern the opinions, actions, and perceptions of parties other than McWane, therefore requiring no response from McWane. To the extent a response is required, McWane denies, on information and belief, that Sigma took any material steps to begin manufacturing domestically-produced DIPF.
 - 86. McWane denies the allegations in paragraph 86.

- 87. McWane admits that it and Sigma executed a Master Distribution Agreement (MDA) dated September 17, 2009, the terms of which speak for themselves. Except to the extent expressly admitted herein, McWane denies the allegations in paragraph 87.
- 88. The allegations of paragraph 88 are directed to parties other than McWane, concern the opinions, actions, and perceptions of parties other than McWane, and attempt to paraphrase and characterize another party's document, therefore requiring no response from McWane. To the extent a response is required, McWane affirmatively avers that the MDA speaks for itself, and denies any characterizations of the MDA to the contrary.
- 89. McWane admits that the terms of the MDA speak for themselves, but otherwise denies the allegations in paragraph 89.
- 90. McWane denies the allegations in paragraph 90, as the terms of the MDA speak for themselves.
- 91. McWane denies the allegations in paragraph 90, and affirmatively avers, on information and belief, that Sigma had taken no material steps to begin manufacturing domestically-produced DIPF.
- 92. The allegations in paragraph 92 contain legal conclusions and argument to which no response is required. To the extent a response is required, McWane denies the allegations in paragraph 92, including the existence of a separate "Domestic DIPF market," and affirmatively avers, on information and belief, that Sigma had taken no material steps to begin manufacturing domestically-produced DIPF.
- 93. The allegations in paragraph 93 contain legal conclusions and argument, to which no response is required, are premature to the extent they call for expert analysis, and attempt to paraphrase an unidentified document which, if it exists, speaks for itself. To the extent a response is required, McWane denies the allegations in paragraph 93, including the existence of a separate "Domestic DIPF market," and affirmatively avers, on information and belief, that Sigma had taken no material steps to begin manufacturing domestically-produced DIPF.

McWane also affirmatively avers that the terms of the MDA speak for themselves.

- 94. The allegations in paragraph 94 contain legal conclusions and argument to which no response is required, and are premature to the extent they call for expert analysis. To the extent a response is required, McWane denies the allegations in paragraph 94, including the existence of a separate "Domestic DIPF market," and affirmatively avers, on information and belief, that Sigma had taken no material steps to begin manufacturing domestically-produced DIPF. McWane also affirmatively avers that the terms of the MDA speak for themselves.
- 95. The allegations in paragraph 95 contain legal conclusions and argument to which no response is required, and are premature to the extent they call for expert analysis. To the extent a response is required, McWane denies the allegations in paragraph 95, including the existence of a separate "Domestic DIPF market," and affirmatively avers, on information and belief, that Sigma had taken no material steps to begin manufacturing domestically-produced DIPF.
 - 96. McWane denies all of the allegations in paragraph 96.
- 97. McWane admits that Star announced in June, 2009 that it would sell domestically-manufactured DIPF. As the remaining allegations of paragraph 97 relate to the actions and perceptions of parties other than McWane, McWane lacks sufficient information to admit or deny the allegations of paragraph 97, and thus denies them.
- 98. McWane admits that Star announced in June, 2009 that it would sell domestically-manufactured DIPF. The remaining allegations in paragraph 98 contain legal conclusions and argument to which no response is required. To the extent a response is required, McWane denies the remaining allegations in paragraph 98, including the existence of a separate "Domestic DIPF market."
- 99. The allegations in paragraph 99 contain legal conclusions and argument to which no response is required. To the extent a response is required, McWane denies the allegations in paragraph 99, including the existence of a separate "Domestic DIPF market."

- 100. The allegations in paragraph 100 contain legal conclusions and argument, including the undefined and argumentative term "exclusive distribution policies," to which no response is required, and attempt to paraphrase an unidentified document which, if it exists, speaks for itself. To the extent a response is required, McWane denies the allegations in paragraph 100.
- 101. The allegations in paragraph 101 contain legal conclusions and argument, including the undefined and argumentative term "exclusive distribution policies," to which no response is required. To the extent a response is required, McWane denies the allegations in paragraph 101, and affirmatively avers (i) that the terms of the MDA speak for themselves, and (ii) that no separate "Domestic DIPF market" exists.
- 102. The allegations in paragraph 102 contain legal conclusions and argument, to which no response is required, and attempt to paraphrase an unidentified document which, if it exists, speaks for itself. To the extent a response is required, McWane denies the allegations in paragraph 102, including the existence of a separate "Domestic DIPF market."
- 103. The allegations of paragraph 103 are directed to parties other than McWane, concern the opinions, actions, and perceptions of parties other than McWane, and attempt to paraphrase and characterize another party's document, therefore requiring no response from McWane. To the extent a response is required, McWane affirmatively avers that the MDA speaks for itself, and denies any characterizations of the MDA to the contrary.
- 104. The allegations in paragraph 104 contain legal conclusions and argument, to which no response is required, and are premature to the extent they call for expert analysis. To the extent a response is required, McWane denies the allegations in paragraph 104, including the existence of a separate "Domestic DIPF market."
- 105. The allegations in paragraph 105 contain legal conclusions and argument, to which no response is required, and are premature to the extent they call for expert analysis. To the extent a response is required, McWane denies the allegations in paragraph 105, including the

existence of a separate "Domestic DIPF market."

- 106. The allegations in paragraph 106 contain legal conclusions and argument, to which no response is required, and are premature to the extent they call for expert analysis. To the extent a response is required, McWane denies the allegations in paragraph 106, including the existence of a separate "Domestic DIPF market."
- 107. The allegations in paragraph 107 contain legal conclusions and argument, to which no response is required, and are premature to the extent they call for expert analysis. To the extent a response is required, McWane denies the allegations in paragraph 107, including the existence of a separate "Domestic DIPF market."
- 108. The allegations in paragraph 108 contain legal conclusions and argument, to which no response is required. To the extent a response is required, McWane admits that the FTC launched an investigation of McWane's practices with regard to the DIPF market and filed an administrative complaint on January 4, 2012, which McWane vigorously denied and litigated, against McWane. McWane incorporates by reference, as if fully set forth herein, its response and all of its defenses to the FTC's complaint, and specifically denies that it engaged in a conspiracy. To the extent the allegations of paragraph 108 are directed to parties other than McWane, no response from McWane is required. Except to the extent expressly admitted herein, McWane denies the allegations of paragraph 108.
- 109. The allegations in paragraph 109 contain legal conclusions and argument, and are directed to parties other than McWane, therefore requiring no response from McWane. The terms of Sigma's Consent Agreement speak for themselves. To the extent a response is required, McWane incorporates by reference, as if fully set forth herein, its response and all of its defenses to the FTC's complaint, and specifically denies that it engaged in a conspiracy with Sigma or any other party.
- 110. The allegations in paragraph 110 contain legal conclusions and argument, and are directed to parties other than McWane, therefore requiring no response from McWane. The

terms of the order settling the FTC's allegations against Star speak for themselves. To the extent a response is required, McWane incorporates by reference, as if fully set forth herein, its response and all of its defenses to the FTC's complaint, and specifically denies that it engaged in a conspiracy with Star or any other party.

- 111. The allegations in paragraph 111 contain legal conclusions and argument, including use of the argumentative term "relevant market," to which no response is required, and are premature to the extent they call for expert analysis. To the extent a response is required, McWane denies that a separate "Domestic DIPF market" exists, but admits that domestically produced and foreign produced DIPF are functionally equivalent and interchangeable.
- 112. The allegations in paragraph 112 contain legal conclusions and argument, including use of the argumentative term "relevant market," to which no response is required, and are premature to the extent they call for expert analysis. To the extent a response is required, McWane denies the allegations in paragraph 112, including the allegation that a separate "Domestic DIPF market" exists.
- 113. The allegations in paragraph 113 contain legal conclusions and argument to which no response is required, and are premature to the extent they call for expert analysis. To the extent a response is required, McWane admits that DIPF are commodity products, which are produced to industry-wide standards, but denies the remaining allegations of paragraph 113.
- 114. The allegations in paragraph 114 contain legal conclusions and argument to which no response is required, and are premature to the extent they call for expert analysis. To the extent a response is required, McWane admits on information and belief that in 2008 the Defendants collectively accounted for more than 90% of DIPF sales in the United States. McWane denies the remaining allegations of paragraph 114, and avers on information and belief that wholesale distributors have substantial market power in relation to suppliers of DIPF.
- 115. The allegations in paragraph 115 contain legal conclusions and argument to which no response is required, and are premature to the extent they call for expert analysis. To the

extent a response is required, McWane denies the allegations of paragraph 115.

- 116. The allegations in paragraph 115 contain legal conclusions and argument to which no response is required, and are premature to the extent they call for expert analysis. To the extent a response is required, McWane admits that DIPF are a relatively small portion of the cost of materials of a typical waterworks project, and there are no widely used substitutes for DIPF.
- 117. The allegations in paragraph 117 contain legal conclusions and argument to which no response is required, and are premature to the extent they call for expert analysis. To the extent a response is required, McWane admits that it independently publishes a list price and regional multipliers for its DIPF. McWane admits on information and belief that Sigma and Star, at the insistence of their customers, often but not always had similar published price lists and multipliers for DIPF. McWane avers that the vast majority if not all of its DIPF is not sold at its published prices, but at discounts which take a variety of forms off its published price lists and multipliers. Except to the extent expressly admitted herein, McWane denies the allegations in paragraph 117.
- 118. The allegations in paragraph 118 contain legal conclusions and argument to which no response is required, and are premature to the extent they call for expert analysis. To the extent a response is required, McWane denies the allegations in paragraph 118.
- 119. The allegations in paragraph 119 contain legal conclusions and argument to which no response is required, and are premature to the extent they call for expert analysis. To the extent a response is required, McWane denies the allegations in paragraph 119, and specifically denies that class treatment is available or appropriate for this action.
- 120. The allegations in paragraph 120 contain legal conclusions and argument to which no response is required, and are premature to the extent they call for expert analysis. To the extent a response is required, McWane denies the allegations in paragraph 120, and specifically denies that class treatment is available or appropriate for this action.
 - 121. The allegations in paragraph 121 contain legal conclusions and argument to which

no response is required, are premature to the extent they call for expert analysis, and attempt to paraphrase or characterize an unidentified document, which presumably speaks for itself. To the extent a response is required, McWane avers that McWane has vigorously denied and litigated the FTC's administrative complaint against McWane. McWane incorporates by reference, as if fully set forth herein, its response and all of its defenses to the FTC's complaint, and specifically denies that it engaged in any unlawful behavior.

- 122. The allegations in paragraph 122 contain legal conclusions and argument to which no response is required, and are premature to the extent they call for expert analysis. To the extent a response is required, McWane denies the allegations in paragraph 122, and specifically denies (i) that McWane violated any laws; (ii) Plaintiffs have been injured, and (iii) that class treatment is available or appropriate for this action.
- 123. The allegations in paragraph 123 contain legal conclusions and argument to which no response is required. To the extent a response is required, McWane denies the allegations in paragraph 123, and specifically denies (i) that McWane engaged in a conspiracy; (ii) Plaintiffs have been injured, and (iii) that class treatment is available or appropriate for this action.
- 124. The allegations in paragraph 124 contain legal conclusions and argument to which no response is required. To the extent a response is required, McWane denies the allegations in paragraph 124, and specifically denies (i) that McWane engaged in a conspiracy, was a conspirator, or had co-conspirators; (ii) that any "violation" or "continuing violation" has occurred; (iii) that Plaintiffs have been injured, and (iv) that class treatment is available or appropriate for this action.
- 125. The allegations in paragraph 125 contain legal conclusions and argument to which no response is required. To the extent a response is required, McWane denies the allegations in paragraph 125, and specifically denies (i) that McWane engaged in a conspiracy, was a conspirator, or had co-conspirators; (ii) that Plaintiffs have been injured, and (iii) that class treatment is available or appropriate for this action.

- 126. The allegations in paragraph 126 contain legal conclusions and argument to which no response is required. To the extent a response is required, McWane denies the allegations in paragraph 126, and specifically denies (i) that McWane engaged in a conspiracy, was a conspirator, or had co-conspirators; (ii) that Plaintiffs have been injured, and (iii) that class treatment is available or appropriate for this action.
- 127. The allegations in paragraph 126 contain legal conclusions and argument to which no response is required. To the extent a response is required, McWane denies the allegations in paragraph 126, and specifically denies (i) that McWane engaged in a conspiracy, was a conspirator, or had co-conspirators; (ii) that Plaintiffs have been injured, and (iii) that class treatment is available or appropriate for this action.
- 128. The allegations in paragraph 128 contain legal conclusions and argument to which no response is required, and are premature to the extent they call for expert analysis. To the extent a response is required, McWane denies the allegations in paragraph 128, and specifically denies (i) that McWane engaged in a conspiracy, was a conspirator, or had co-conspirators; (ii) that Plaintiffs have been injured, and (iii) that class treatment is available or appropriate for this action.
- 129. The allegations in paragraph 129 contain legal conclusions and argument to which no response is required. To the extent a response is required, McWane denies the allegations in paragraph 129, and specifically denies (i) that McWane engaged in a conspiracy, was a conspirator, or had co-conspirators; (ii) that Plaintiffs have been injured, and (iii) that class treatment is available or appropriate for this action.
- 130. The allegations in paragraph 130 contain legal conclusions and argument to which no response is required. To the extent a response is required, McWane denies the allegations in paragraph 130, and specifically denies (i) that McWane engaged in a conspiracy, was a conspirator, or had co-conspirators; (ii) that McWane engaged in any fraudulent concealment; (iii) that Plaintiffs have been injured, and (iv) that class treatment is available or appropriate for

this action.

- 131. The allegations contained in paragraph 131 contain legal conclusions and argument, to which no response is required. To the extent a response may be required, McWane admits that Plaintiffs purport to bring this matter as a class action but denies that class treatment is appropriate or available, and therefore denies the allegations contained in paragraph 131.
- 132. The allegations contained in paragraph 132 contain legal conclusions and argument, to which no response is required. To the extent a response may be required, McWane admits that Plaintiffs purport to bring this matter as a class action but denies that class treatment is appropriate or available, and therefore denies the allegations contained in paragraph 132.
- 133. The allegations contained in paragraph 133 contain legal conclusions and argument, to which no response is required. To the extent a response may be required, McWane denies that Plaintiffs have the right to amend the definitions of the classes they seek to represent, as class treatment is neither appropriate nor available for this action.
- 134. The allegations contained in paragraph 134 contain legal conclusions and argument, to which no response is required. To the extent a response may be required, McWane denies that class treatment is appropriate or available, and therefore denies the allegations contained in paragraph 134.
- 135. The allegations contained in paragraph 135 contain legal conclusions and argument, to which no response is required. To the extent a response may be required, McWane denies that class treatment is appropriate or available, and therefore denies the allegations contained in paragraph 135.
- 136. The allegations contained in paragraph 136 contain legal conclusions and argument, including allegations relating to "questions of law and fact common to the classes," to which no response is required. To the extent a response may be required, McWane denies the allegations of paragraph 136, and further denies that class treatment is appropriate or available.
 - 137. The allegations contained in paragraph 137 contain legal conclusions and

argument, including allegations that Plaintiffs' claims are "typical" or that Plaintiffs would "fairly and adequately" represent the classes, to which no response is required. To the extent a response may be required, McWane denies the allegations of paragraph 137, and further denies that class treatment is appropriate or available.

- 138. The allegations contained in paragraph 138 contain legal conclusions and argument, to which no response is required. To the extent a response may be required, McWane denies the allegations of paragraph 138, and further denies that class treatment is appropriate or available.
- 139. The allegations contained in paragraph 139 contain legal conclusions and argument, including whether so-called "common" questions of law and fact "predominate," to which no response is required. To the extent a response may be required, McWane denies the allegations of paragraph 139, and further denies that class treatment is appropriate or available.
- 140. The allegations contained in paragraph 140 contain legal conclusions and argument, including whether a class action is "superior" to other methods of adjudication, to which no response is required. To the extent a response may be required, McWane denies the allegations of paragraph 140, and further denies that class treatment is appropriate or available.
- 141. McWane admits that it manufactures and sells DIPF in transactions across the United States. Except to the extent expressly admitted herein, McWane denies the allegations in paragraph 141.

VIOLATIONS ALLEGED

First Claim for Relief

- 142. McWane incorporates by reference its responses to the allegations in the preceding paragraphs. This Court dismissed the First Claim for Relief in its entirety in its October 2, 2013 order; thus, this paragraph requires no response.
 - 143. This Court dismissed the First Claim for Relief in its entirety in its October 2,

- 2013 order; thus, this paragraph requires no response.
- 144. This Court dismissed the First Claim for Relief in its entirety in its October 2, 2013 order; thus, this paragraph requires no response.
- 145. This Court dismissed the First Claim for Relief in its entirety in its October 2, 2013 order; thus, this paragraph requires no response.
- 146. This Court dismissed the First Claim for Relief in its entirety in its October 2, 2013 order; thus, this paragraph requires no response.
- 147. This Court dismissed the First Claim for Relief in its entirety in its October 2, 2013 order; thus, this paragraph requires no response.
- 148. This Court dismissed the First Claim for Relief in its entirety in its October 2, 2013 order; thus, this paragraph requires no response.
- 149. This Court dismissed the First Claim for Relief in its entirety in its October 2, 2013 order; thus, this paragraph requires no response.

Second Claim for Relief

- 150. McWane incorporates by reference its responses to the allegations in the preceding paragraphs. This Court dismissed the Second Claim for Relief in its entirety in its October 2, 2013 order; thus, this paragraph requires no response.
- 151. This Court dismissed the Second Claim for Relief in its entirety in its October 2, 2013 order; thus, this paragraph requires no response.
- 152. This Court dismissed the Second Claim for Relief in its entirety in its October 2, 2013 order; thus, this paragraph requires no response.
- 153. This Court dismissed the Second Claim for Relief in its entirety in its October 2, 2013 order; thus, this paragraph requires no response.
- 154. This Court dismissed the Second Claim for Relief in its entirety in its October 2, 2013 order; thus, this paragraph requires no response.

Third Claim for Relief

- 155. McWane incorporates by reference its responses to the allegations in the preceding paragraphs.
- 156. The allegations in paragraph 156 contain legal conclusions and argument to which no response is required. To the extent a response is required, McWane denies the allegations in paragraph 156 with respect to McWane, and specifically denies (i) that it is a conspirator, (ii) that it had co-conspirators, (iii) that it engaged in a continuing contract, combination or conspiracy in unreasonable restraint of trade, and (iv) that it violated any state laws. To the extent the allegations of paragraph 156 are directed to other Defendants, McWane lacks sufficient information to admit or deny those allegations, and therefore denies them.
- 157. The allegations in paragraph 157 contain legal conclusions and argument to which no response is required. To the extent a response is required, McWane denies the allegations in paragraph 157 with respect to McWane, and specifically denies (i) that it is a conspirator, (ii) that it had co-conspirators, and (iii) that had an agreement with the other Defendants to fix, raise, stabilize or maintain prices for DIPF in the United States. To the extent the allegations of paragraph 157 are directed to other Defendants, McWane lacks sufficient information to admit or deny those allegations, and therefore denies them.
- 158. The allegations in paragraph 158 contain legal conclusions and argument to which no response is required. To the extent a response is required, McWane denies the allegations in paragraph 158 with respect to McWane, and specifically denies (i) that it is a conspirator, (ii) that it had co-conspirators, and (iii) that it performed acts in furtherance of a combination or conspiracy. To the extent the allegations of paragraph 158 are directed to other Defendants, McWane lacks sufficient information to admit or deny those allegations, and therefore denies them.
- 159. The allegations in paragraph 159 contain legal conclusions and argument to which no response is required. To the extent a response is required, McWane denies the allegations in

paragraph 159 with respect to McWane, and specifically denies (i) that it is a conspirator, (ii) that it had co-conspirators, (iii) that had an agreement with the other Defendants to fix, raise, stabilize or maintain prices for DIPF in the United States, and (iv) that it engaged in unlawful acts. To the extent the allegations of paragraph 159 are directed to other Defendants, McWane lacks sufficient information to admit or deny those allegations, and therefore denies them.

- 160. The allegations in paragraph 160 contain argument and legal conclusions, to which no response is required. To the extent the allegations of paragraph 160 are directed at McWane, and to the extent a response is required, McWane admits that Plaintiffs seek to assert claims under the laws of their states of residence, and seek to represent a class of indirect purchasers, but specifically denies (i) that any Plaintiff can state a claim for a relief, (ii) that any Plaintiff is entitled to damages, (iii) that class treatment for this action is available or appropriate, (iv) that common questions of law and fact predominate, and (v) that any Plaintiff can pursue any claim based on the law of any jurisdiction where that Plaintiff does not reside. In fact, this Court, in its October 2, 2013 order, dismissed Counts Three, Four, Five, Six and Seven to the extent these claims purport to arise under the laws of Arizona, Arkansas, California, the District of Columbia, Hawaii, Iowa, Maine, Massachusetts, Minnesota, Mississippi, Nevada, New Mexico, Oregon, Rhode Island, South Carolina, South Dakota, Tennessee, Utah, Vermont, West Virginia, and Wisconsin. Moreover, because the claims of Plaintiffs City of Fargo and City of Blair have been dismissed in their entirety, claims arising under Nebraska and North Dakota law also have been effectively dismissed in accordance with this Court's October 2, 2013 order. To the extent the allegations of paragraph 160 are directed to other Defendants, McWane lacks sufficient information to admit or deny those allegations, and therefore denies them.
- 161. This Court dismissed Plaintiffs' claims arising under Arizona law in its October 2, 2013 order; thus, this paragraph requires no response.
- 162. This Court dismissed Plaintiffs' claims arising under California law in its October 2, 2013 order; thus, this paragraph requires no response.

- 163. This Court dismissed Plaintiffs' claims arising under District of Columbia law in its October 2, 2013 order; thus, this paragraph requires no response.
- 164. This Court dismissed Plaintiffs' claims arising under Iowa law in its October 2, 2013 order; thus, this paragraph requires no response.
- 165. The allegations in paragraph 165 contain legal conclusions and argument to which no response is required. To the extent a response is required, McWane denies the allegations in paragraph 165 with respect to McWane. To the extent the allegations of paragraph 165 are directed to other Defendants, McWane lacks sufficient information to admit or deny those allegations, and therefore denies them.
- 166. This Court dismissed Plaintiffs' claims arising under Maine law in its October 2, 2013 order; thus, this paragraph requires no response.
- 167. The allegations in paragraph 167 contain legal conclusions and argument to which no response is required. To the extent a response is required, McWane denies the allegations in paragraph 167 with respect to McWane. To the extent the allegations of paragraph 167 are directed to other Defendants, McWane lacks sufficient information to admit or deny those allegations, and therefore denies them.
- 168. This Court dismissed Plaintiffs' claims arising under Minnesota law in its October 2, 2013 order; thus, this paragraph requires no response.
- 169. This Court dismissed Plaintiffs' claims arising under Mississippi law in its October 2, 2013 order; thus, this paragraph requires no response.
- 170. Plaintiff City of Blair's claims were dismissed in their entirety in this Court's October 2, 2013 order. In accordance with that order, no claims under Nebraska law therefore can be maintained, and no response to paragraph 170 is required.
- 171. This Court dismissed Plaintiffs' claims arising under Nevada law in its October 2, 2013 order; thus, this paragraph requires no response.
 - 172. The allegations in paragraph 172 contain legal conclusions and argument to which

no response is required. To the extent a response is required, McWane denies the allegations in paragraph 172 with respect to McWane. To the extent the allegations of paragraph 172 are directed to other Defendants, McWane lacks sufficient information to admit or deny those allegations, and therefore denies them.

- 173. This Court dismissed Plaintiffs' claims arising under New Mexico law in its October 2, 2013 order; thus, this paragraph requires no response.
- 174. The allegations in paragraph 174 contain legal conclusions and argument to which no response is required. To the extent a response is required, McWane denies the allegations in paragraph 174 with respect to McWane. To the extent the allegations of paragraph 174 are directed to other Defendants, McWane lacks sufficient information to admit or deny those allegations, and therefore denies them.
- 175. The allegations in paragraph 175 contain legal conclusions and argument to which no response is required. To the extent a response is required, McWane denies the allegations in paragraph 175 with respect to McWane. To the extent the allegations of paragraph 175 are directed to other Defendants, McWane lacks sufficient information to admit or deny those allegations, and therefore denies them.
- 176. Plaintiff City of Fargo's claims were dismissed in their entirety in this Court's October 2, 2013 order. In accordance with that order, no claims under North Dakota law therefore can be maintained, and no response to paragraph 176 is required.
- 177. This Court dismissed Plaintiffs' claims arising under Oregon law in its October 2, 2013 order; thus, this paragraph requires no response.
- 178. This Court dismissed Plaintiffs' claims arising under South Dakota law in its October 2, 2013 order; thus, this paragraph requires no response.
- 179. This Court dismissed Plaintiffs' claims arising under Tennessee law in its October 2, 2013 order; thus, this paragraph requires no response.
 - 180. This Court dismissed Plaintiffs' claims arising under Utah law in its October 2,

2013 order; thus, this paragraph requires no response.

- 181. This Court dismissed Plaintiffs' claims arising under Vermont law in its October 2, 2013 order; thus, this paragraph requires no response.
- 182. This Court dismissed Plaintiffs' claims arising under West Virginia law in its October 2, 2013 order; thus, this paragraph requires no response.
- 183. This Court dismissed Plaintiffs' claims arising under Wisconsin law in its October 2, 2013 order; thus, this paragraph requires no response.
- 184. The allegations in paragraph 184 contain legal conclusions and argument to which no response is required. To the extent a response is required, McWane denies the allegations in paragraph 184 with respect to McWane, and specifically denies that it illegally combined, contracted, conspired or entered into an agreement with any other party. To the extent the allegations of paragraph 184 are directed to other Defendants, McWane lacks sufficient information to admit or deny those allegations, and therefore denies them.
- 185. The allegations in paragraph 185 contain legal conclusions and argument to which no response is required. To the extent a response is required, McWane denies the allegations in paragraph 185 with respect to McWane, and specifically denies that it participated in any conspiracy or engaged in any anti-competitive conduct. To the extent the allegations of paragraph 185 are directed to other Defendants, McWane lacks sufficient information to admit or deny those allegations, and therefore denies them.
- 186. The allegations in paragraph 186 contain legal conclusions and argument to which no response is required. To the extent a response is required, McWane denies the allegations in paragraph 186 with respect to McWane, and specifically denies (i) that Plaintiffs are entitled to the relief sought, (ii) that treble damages are recoverable in this action, given this Court's dismissal of the federal antitrust claims in its October 2, 2013 order, and (iii) that class treatment is available or appropriate for this action. To the extent the allegations of paragraph 186 are directed to other Defendants, McWane lacks sufficient information to admit or deny those

allegations, and therefore denies them.

Fourth Claim for Relief

- 187. McWane incorporates by reference its responses to the allegations in the preceding paragraphs.
- 188. The allegations in paragraph 188 contain legal conclusions and argument to which no response is required. To the extent a response is required, McWane denies the allegations in paragraph 188 with respect to McWane, and specifically denies that it violated any state consumer protection or unfair competition statutes. To the extent the allegations of paragraph 188 are directed to other Defendants, McWane lacks sufficient information to admit or deny those allegations, and therefore denies them.
- 189. The allegations in paragraph 189 contain argument and legal conclusions, to which no response is required. To the extent the allegations of paragraph 189 are directed at McWane, and to the extent a response is required, McWane admits that Plaintiffs seek to assert claims under the laws of their states of residence, and seek to represent a class of indirect purchasers, but specifically denies (i) that any Plaintiff can state a claim for a relief, (ii) that any Plaintiff is entitled to damages, (iii) that class treatment for this action is available or appropriate, (iv) that common questions of law and fact predominate, and (v) that any Plaintiff can pursue any claim based on the law of any jurisdiction where that Plaintiff does not reside. In fact, this Court, in its October 2, 2013 order, dismissed Counts Three, Four, Five, Six and Seven to the extent these claims purport to arise under the laws of Arizona, Arkansas, California, the District of Columbia, Hawaii, Iowa, Maine, Massachusetts, Minnesota, Mississippi, Nevada, New Mexico, Oregon, Rhode Island, South Carolina, South Dakota, Tennessee, Utah, Vermont, West Virginia, and Wisconsin. Moreover, because the claims of Plaintiffs City of Fargo and City of Blair have been dismissed in their entirety, claims arising under Nebraska and North Dakota law also have been effectively dismissed in accordance with this Court's October 2, 2013 order. To the extent the allegations of paragraph 189 are directed to other Defendants, McWane lacks

sufficient information to admit or deny those allegations, and therefore denies them.

- 190. This Court dismissed Plaintiffs' claims arising under Arkansas law in its October 2, 2013 order; thus, this paragraph requires no response.
- 191. This Court dismissed Plaintiffs' claims arising under California law in its October 2, 2013 order; thus, this paragraph requires no response.
- 192. The allegations in paragraph 192 contain legal conclusions and argument to which no response is required. To the extent a response is required, McWane denies the allegations in paragraph 192 with respect to McWane. To the extent the allegations of paragraph 192 are directed to other Defendants, McWane lacks sufficient information to admit or deny those allegations, and therefore denies them.
- 193. This Court dismissed Plaintiffs' claims arising under Hawaii law in its October 2, 2013 order; thus, this paragraph requires no response.
- 194. This Court dismissed Plaintiffs' claims arising under Massachusetts law in its October 2, 2013 order; thus, this paragraph requires no response.
- 195. Plaintiff City of Blair's claims were dismissed in their entirety in this Court's October 2, 2013 order. In accordance with that order, no claims under Nebraska law therefore can be maintained, and no response to paragraph 195 is required.
- 196. The allegations in paragraph 196 contain legal conclusions and argument to which no response is required. To the extent a response is required, McWane denies the allegations in paragraph 196 with respect to McWane. To the extent the allegations of paragraph 196 are directed to other Defendants, McWane lacks sufficient information to admit or deny those allegations, and therefore denies them.
- 197. This Court dismissed Plaintiffs' claims arising under New Mexico law in its October 2, 2013 order; thus, this paragraph requires no response.
- 198. The allegations in paragraph 198 contain legal conclusions and argument to which no response is required. To the extent a response is required, McWane denies the allegations in

paragraph 198 with respect to McWane. To the extent the allegations of paragraph 198 are directed to other Defendants, McWane lacks sufficient information to admit or deny those allegations, and therefore denies them.

- 199. This Court dismissed Plaintiffs' claims arising under Rhode Island law in its October 2, 2013 order; thus, this paragraph requires no response.
- 200. This Court dismissed Plaintiffs' claims arising under South Carolina law in its October 2, 2013 order; thus, this paragraph requires no response.
- 201. The allegations in paragraph 201 contain legal conclusions and argument to which no response is required. To the extent a response is required, McWane denies the allegations in paragraph 201 with respect to McWane, and specifically denies that it engaged in any anti-competitive acts. To the extent the allegations of paragraph 201 are directed to other Defendants, McWane lacks sufficient information to admit or deny those allegations, and therefore denies them.
- 202. The allegations in paragraph 202 contain legal conclusions and argument to which no response is required. To the extent a response is required, McWane denies the allegations in paragraph 202 with respect to McWane, and specifically denies (i) that it engaged in unlawful conduct, (ii) that Plaintiffs have been injured, and (iii) that class treatment is available or appropriate for this action. To the extent the allegations of paragraph 202 are directed to other Defendants, McWane lacks sufficient information to admit or deny those allegations, and therefore denies them.
- 203. The allegations in paragraph 203 contain legal conclusions and argument to which no response is required. To the extent a response is required, McWane denies the allegations in paragraph 203 with respect to McWane, and specifically denies (i) that Plaintiffs are entitled to the relief sought, (ii) that Plaintiffs can maintain claims under the laws of all of the states identified in their Fourth Claim for Relief, and (iii) that class treatment is available or appropriate for this action. To the extent the allegations of paragraph 203 are directed to other Defendants,

McWane lacks sufficient information to admit or deny those allegations, and therefore denies them.

Fifth Claim for Relief

- 204. McWane incorporates by reference its responses to the allegations in the preceding paragraphs.
- 205. The allegations in paragraph 205 contain legal conclusions and argument to which no response is required. To the extent a response is required, McWane denies the allegations in paragraph 205, and specifically denies (i) that it engaged in a continuing contract, combination or conspiracy in restraint of trade, and (ii) that it violated any state statute. McWane affirmatively avers that no separate market for "Domestic DIPF" exists, as domestically manufactured and foreign manufactured DIPF are functionally equivalent and interchangeable.
- 206. The allegations in paragraph 206 contain legal conclusions and argument to which no response is required. To the extent a response is required, McWane denies the allegations in paragraph 206, and specifically denies (i) that it engaged in a conspiracy, (ii) that it had any coconspirators, and (iii) that a separate market for "Domestic DIPF" exists.
- 207. The allegations in paragraph 207 contain legal conclusions and argument to which no response is required. To the extent a response is required, McWane denies the allegations in paragraph 207, and specifically denies (i) that it engaged in a conspiracy, (ii) that it had any co-conspirators, and (iii) that a separate market for "Domestic DIPF" exists.
- 208. The allegations in paragraph 208 contain legal conclusions and argument to which no response is required. To the extent a response is required, McWane denies the allegations in paragraph 208, and specifically denies (i) that it engaged in a conspiracy, (ii) that it had any coconspirators, and (iii) that a separate market for "Domestic DIPF" exists.
- 209. The allegations in paragraph 209 contain legal conclusions and argument to which no response is required. To the extent a response is required, McWane denies the allegations in paragraph 209, and specifically denies (i) that Plaintiffs can state claims under the laws of all of

the states identified in their Fifth Claim for Relief, and (ii) that class treatment is available or appropriate for this action.

- 210. This Court dismissed Plaintiffs' claims arising under Arizona law in its October 2, 2013 order; thus, this paragraph requires no response.
- 211. This Court dismissed Plaintiffs' claims arising under California law in its October 2, 2013 order; thus, this paragraph requires no response.
- 212. This Court dismissed Plaintiffs' claims arising under District of Columbia law in its October 2, 2013 order; thus, this paragraph requires no response.
- 213. This Court dismissed Plaintiffs' claims arising under Iowa law in its October 2, 2013 order; thus, this paragraph requires no response.
- 214. The allegations in paragraph 214 contain legal conclusions and argument to which no response is required. To the extent a response is required, McWane denies the allegations in paragraph 214.
- 215. This Court dismissed Plaintiffs' claims arising under Maine law in its October 2, 2013 order; thus, this paragraph requires no response.
- 216. The allegations in paragraph 216 contain legal conclusions and argument to which no response is required. To the extent a response is required, McWane denies the allegations in paragraph 216.
- 217. This Court dismissed Plaintiffs' claims arising under Minnesota law in its October 2, 2013 order; thus, this paragraph requires no response.
- 218. This Court dismissed Plaintiffs' claims arising under Mississippi law in its October 2, 2013 order; thus, this paragraph requires no response.
- 219. Plaintiff City of Blair's claims were dismissed in their entirety in this Court's October 2, 2013 order. In accordance with that order, no claims under Nebraska law therefore can be maintained, and no response to paragraph 219 is required.
 - 220. This Court dismissed Plaintiffs' claims arising under Nevada law in its October 2,

2013 order; thus, this paragraph requires no response.

- 221. The allegations in paragraph 221 contain legal conclusions and argument to which no response is required. To the extent a response is required, McWane denies the allegations in paragraph 221.
- 222. This Court dismissed Plaintiffs' claims arising under New Mexico law in its October 2, 2013 order; thus, this paragraph requires no response.
- 223. The allegations in paragraph 223 contain legal conclusions and argument to which no response is required. To the extent a response is required, McWane denies the allegations in paragraph 223.
- 224. The allegations in paragraph 224 contain legal conclusions and argument to which no response is required. To the extent a response is required, McWane denies the allegations in paragraph 224.
- 225. Plaintiff City of Fargo's claims were dismissed in their entirety in this Court's October 2, 2013 order. In accordance with that order, no claims under North Dakota law therefore can be maintained, and no response to paragraph 225 is required.
- 226. This Court dismissed Plaintiffs' claims arising under Oregon law in its October 2, 2013 order; thus, this paragraph requires no response.
- 227. This Court dismissed Plaintiffs' claims arising under South Dakota law in its October 2, 2013 order; thus, this paragraph requires no response.
- 228. This Court dismissed Plaintiffs' claims arising under Tennessee law in its October 2, 2013 order; thus, this paragraph requires no response.
- 229. This Court dismissed Plaintiffs' claims arising under Utah law in its October 2, 2013 order; thus, this paragraph requires no response.
- 230. This Court dismissed Plaintiffs' claims arising under Vermont law in its October 2, 2013 order; thus, this paragraph requires no response.
 - 231. This Court dismissed Plaintiffs' claims arising under West Virginia law in its

- October 2, 2013 order; thus, this paragraph requires no response.
- 232. This Court dismissed Plaintiffs' claims arising under Wisconsin law in its October 2, 2013 order; thus, this paragraph requires no response.
- 233. The allegations in paragraph 233 contain legal conclusions and argument to which no response is required. To the extent a response is required, McWane denies the allegations in paragraph 233, and specifically denies (i) that it engaged in unlawful conduct, (ii) that Plaintiffs have been injured, and (iii) that class treatment is available or appropriate for this action.
- 234. The allegations in paragraph 234 contain legal conclusions and argument to which no response is required. To the extent a response is required, McWane denies the allegations in paragraph 234, and specifically denies (i) that it engaged in any conspiracy, (ii) that Plaintiffs have been injured, and (iii) that class treatment is available or appropriate for this action.
- 235. The allegations in paragraph 235 contain legal conclusions and argument to which no response is required. To the extent a response is required, McWane denies the allegations in paragraph 235, and specifically denies (i) that Plaintiffs are entitled to the relief sought, (ii) that treble damages are recoverable in this action, given this Court's dismissal of the federal antitrust claims in its October 2, 2013 order, and (iii) that class treatment is available or appropriate for this action.

Sixth Claim for Relief

- 236. McWane incorporates by reference its responses to the allegations in the preceding paragraphs.
- 237. The allegations in paragraph 237 contain legal conclusions and argument to which no response is required. To the extent a response is required, McWane denies the allegations in paragraph 237, and specifically denies (i) that Plaintiffs can state claims under the laws of all of the states identified in their Sixth Claim for Relief, and (ii) that class treatment is available or appropriate for this action.
 - 238. This Court dismissed Plaintiffs' claims arising under Arkansas law in its October

- 2, 2013 order; thus, this paragraph requires no response.
- 239. This Court dismissed Plaintiffs' claims arising under California law in its October 2, 2013 order; thus, this paragraph requires no response.
- 240. The allegations in paragraph 240 contain legal conclusions and argument to which no response is required. To the extent a response is required, McWane denies the allegations in paragraph 240.
- 241. This Court dismissed Plaintiffs' claims arising under Hawaii law in its October 2, 2013 order; thus, this paragraph requires no response.
- 242. This Court dismissed Plaintiffs' claims arising under Massachusetts law in its October 2, 2013 order; thus, this paragraph requires no response.
- 243. Plaintiff City of Blair's claims were dismissed in their entirety in this Court's October 2, 2013 order. In accordance with that order, no claims under Nebraska law therefore can be maintained, and no response to paragraph 243 is required.
- 244. The allegations in paragraph 244 contain legal conclusions and argument to which no response is required. To the extent a response is required, McWane denies the allegations in paragraph 244.
- 245. This Court dismissed Plaintiffs' claims arising under New Mexico law in its October 2, 2013 order; thus, this paragraph requires no response.
- 246. The allegations in paragraph 246 contain legal conclusions and argument to which no response is required. To the extent a response is required, McWane denies the allegations in paragraph 246.
- 247. This Court dismissed Plaintiffs' claims arising under Rhode Island law in its October 2, 2013 order; thus, this paragraph requires no response.
- 248. This Court dismissed Plaintiffs' claims arising under South Carolina law in its October 2, 2013 order; thus, this paragraph requires no response.
 - 249. The allegations in paragraph 249 contain legal conclusions and argument to which

no response is required. To the extent a response is required, McWane denies the allegations in paragraph 249.

- 250. The allegations in paragraph 250 contain legal conclusions and argument to which no response is required. To the extent a response is required, McWane denies the allegations in paragraph 250, and specifically denies (i) that it engaged in any unlawful conduct, (ii) that Plaintiffs have been injured, and (iii) that class treatment is available or appropriate for this action.
- 251. The allegations in paragraph 251 contain legal conclusions and argument to which no response is required. To the extent a response is required, McWane denies the allegations in paragraph 251, and specifically denies (i) that Plaintiffs are entitled to the relief sought, (ii) that Plaintiffs can state claims under the laws of the jurisdictions recited in their Sixth Claim for Relief, and (iii) that class treatment is available or appropriate for this action.

Seventh Claim for Relief

- 252. McWane incorporates by reference its responses to the allegations in the preceding paragraphs.
- 253. The allegations in paragraph 253 contain legal conclusions and argument to which no response is required. To the extent a response is required, McWane denies the allegations in paragraph 253, and specifically denies (i) that a separate "Domestic DIPF market" exists, and (ii) that it had a monopoly.
- 254. The allegations in paragraph 254 contain legal conclusions and argument to which no response is required. To the extent a response is required, McWane denies the allegations in paragraph 254, and specifically denies (i) that Plaintiffs can state claims under the laws of all of the states identified in their Seventh Claim for Relief, and (ii) that class treatment is available or appropriate for this action.
- 255. This Court dismissed Plaintiffs' claims arising under Arizona law in its October 2, 2013 order; thus, this paragraph requires no response.

- 256. This Court dismissed Plaintiffs' claims arising under Arkansas law in its October 2, 2013 order; thus, this paragraph requires no response.
- 257. This Court dismissed Plaintiffs' claims arising under District of Columbia law in its October 2, 2013 order; thus, this paragraph requires no response.
- 258. This Court dismissed Plaintiffs' claims under the Florida Antitrust Act for lack of standing in its October 2, 2013 order; thus, this paragraph requires no response.
- 259. This Court dismissed Plaintiffs' claims arising under Hawaii law in its October 2, 2013 order; thus, this paragraph requires no response.
- 260. This Court dismissed Plaintiffs' claims arising under Iowa law in its October 2, 2013 order; thus, this paragraph requires no response.
- 261. This Court dismissed Plaintiffs' claims arising under Maine law in its October 2, 2013 order; thus, this paragraph requires no response.
- 262. This Court dismissed Plaintiffs' claims arising under Massachusetts law in its October 2, 2013 order; thus, this paragraph requires no response.
- 263. The allegations in paragraph 263 contain legal conclusions and argument to which no response is required. To the extent a response is required, McWane denies the allegations in paragraph 263.
- 264. This Court dismissed Plaintiffs' claims arising under Minnesota law in its October 2, 2013 order; thus, this paragraph requires no response.
- 265. This Court dismissed Plaintiffs' claims arising under Mississippi law in its October 2, 2013 order; thus, this paragraph requires no response.
- 266. Plaintiff City of Blair's claims were dismissed in their entirety in this Court's October 2, 2013 order. In accordance with that order, no claims under Nebraska law therefore can be maintained, and no response to paragraph 266 is required.
- 267. This Court dismissed Plaintiffs' claims arising under Nevada law in its October 2, 2013 order; thus, this paragraph requires no response.

- 268. The allegations in paragraph 268 contain legal conclusions and argument to which no response is required. To the extent a response is required, McWane denies the allegations in paragraph 268.
- 269. This Court dismissed Plaintiffs' claims arising under New Mexico law in its October 2, 2013 order; thus, this paragraph requires no response.
- 270. The allegations in paragraph 270 contain legal conclusions and argument to which no response is required. To the extent a response is required, McWane denies the allegations in paragraph 270.
- 271. The allegations in paragraph 271 contain legal conclusions and argument to which no response is required. To the extent a response is required, McWane denies the allegations in paragraph 271.
- 272. Plaintiff City of Fargo's claims were dismissed in their entirety in this Court's October 2, 2013 order. In accordance with that order, no claims under North Dakota law therefore can be maintained, and no response to paragraph 272 is required.
- 273. This Court dismissed Plaintiffs' claims arising under Oregon law in its October 2, 2013 order; thus, this paragraph requires no response.
- 274. This Court dismissed Plaintiffs' claims arising under South Carolina law in its October 2, 2013 order; thus, this paragraph requires no response.
- 275. This Court dismissed Plaintiffs' claims arising under South Dakota law in its October 2, 2013 order; thus, this paragraph requires no response.
- 276. This Court dismissed Plaintiffs' claims arising under Utah law in its October 2, 2013 order; thus, this paragraph requires no response.
- 277. This Court dismissed Plaintiffs' claims arising under Vermont law in its October 2, 2013 order; thus, this paragraph requires no response.
- 278. This Court dismissed Plaintiffs' claims arising under West Virginia law in its October 2, 2013 order; thus, this paragraph requires no response.

- 279. This Court dismissed Plaintiffs' claims arising under Wisconsin law in its October 2, 2013 order; thus, this paragraph requires no response.
- 280. The allegations in paragraph 280 contain legal conclusions and argument to which no response is required. To the extent a response is required, McWane denies the allegations in paragraph 280, and specifically denies (i) that a separate market for domestic DIPF exists, (ii) that McWane had a monopoly, (iii) that Plaintiffs have been injured, and (iv) that class treatment is available or appropriate for this action.
- 281. The allegations in paragraph 281 contain legal conclusions and argument to which no response is required. To the extent a response is required, McWane denies the allegations in paragraph 281, and specifically denies (i) that it engaged in any unlawful conduct, (ii) that Plaintiffs have been injured, and (iii) that class treatment is available or appropriate for this action.
- 282. The allegations in paragraph 282 contain legal conclusions and argument to which no response is required. To the extent a response is required, McWane denies the allegations in paragraph 282, and specifically denies (i) that Plaintiffs are entitled to the relief sought, (ii) that Plaintiffs can state claims under the laws of the jurisdictions recited in their Seventh Claim for Relief, and (iii) that class treatment is available or appropriate for this action.

Eighth Claim for Relief

- 283. McWane incorporates by reference its responses to the allegations in the preceding paragraphs.
- 284. This Court dismissed the Eighth Claim for Relief in its entirety in its October 2, 2013 order; thus, this paragraph requires no response.
- 285. This Court dismissed the Eighth Claim for Relief in its entirety in its October 2, 2013 order; thus, this paragraph requires no response.
- 286. This Court dismissed the Eighth Claim for Relief in its entirety in its October 2, 2013 order; thus, this paragraph requires no response.

RESPONSE TO PRAYER FOR RELIEF

McWane denies that Plaintiffs are entitled to any relief whatsoever in this action, either as requested in Plaintiffs' Second Amended Complaint or otherwise. McWane further denies that class treatment is available or appropriate for this action.

AFFIRMATIVE AND ADDITIONAL DEFENSES

Subject to its responses above, and upon information and belief, McWane asserts the following affirmative and additional defenses in response to the allegations contained in Plaintiffs' Second Amended Complaint. McWane reserves all rights to allege additional defenses based on the facts that become known through the course of discovery or otherwise.

First Defense

Plaintiffs' Second Amended Complaint fails to state a claim upon which relief can be granted.

Second Defense

Plaintiffs' claims are barred, in whole or in part, as untimely under the applicable statute of limitations.

Third Defense

Plaintiffs' claims are barred, in whole or in part, by the doctrines of laches, estoppel, waiver, and/or unclean hands.

Fourth Defense

Plaintiffs' claims are barred, in whole or in part, because Plaintiffs do not have standing to state claims or sue for damages under one or more of the laws or statutes under which they seek relief.

Fifth Defense

Plaintiffs' claims are barred because McWane's alleged conduct was lawful, justified, and pro-competitive, constituted bona fide business practices, and was carried out in furtherance of McWane's independent and legitimate business interests.

Sixth Defense

Plaintiffs' claims are barred, in whole or in part, because Plaintiffs have not suffered antitrust injury.

Seventh Defense

Plaintiffs' claims are barred, in whole or in part, because the conduct alleged did not cause any harm or injury to consumers or competition.

Eighth Defense

Plaintiffs cannot satisfy the prerequisites set forth in Rules 23(a) or 23(b)(3) of the Federal Rules of Civil Procedure to maintain this action as a class action, and Plaintiffs are not appropriate class representatives for any purported class seeking relief.

Ninth Defense

Plaintiffs' claims are barred, in whole or in part, by the inherent class conflict between Plaintiffs and the putative classes and subclasses.

Tenth Defense

Plaintiffs' claims for damages are barred because their alleged damages, if any, are too

speculative and uncertain and remote, and because of the impossibility of ascertaining and allocating these alleged damages.

Eleventh Defense

Plaintiffs are precluded from recovering damages, in whole or in part, because and to the extent of, their failure to mitigate alleged damages, if any.

Twelfth Defense

Plaintiffs' claims are barred, in whole or in part, because none of McWane's challenged actions or omissions substantially lessened competition within any properly defined market.

Thirteenth Defense

Plaintiffs' claims are barred, in whole or in part, because McWane is not liable for the acts of any other Defendant.

Fourteenth Defense

Plaintiffs' claims are barred, in whole or in part, because injuries alleged by Plaintiffs, to the extent any exist, were caused, in whole or in part, by the conduct of third parties for whom McWane is not responsible, through forces in the marketplace over which McWane has no control, or through acts or omissions on the part of one or more of the Plaintiffs.

Fifteenth Defense

Plaintiffs' claims are barred, in whole or in part, because McWane lacked monopoly power.

Sixteenth Defense

Plaintiffs' claims are barred, in whole or in part, because no separate "domestic DIPF market" exists.

Seventeenth Defense

Plaintiffs' and some or all putative class members' claims are barred, or may become barred, in whole or in part, by the doctrines of res judicata, release, accord and satisfaction, and/or waiver.

Eighteenth Defense

Plaintiffs' proposed class does not meet the Rule 23 standards set forth in *Wal-Mart Stores, Inc. v. Dukes*, 131 S. Ct. 2541 (2011).

Nineteenth Defense

Due to an applicable forum selection provision, venue is improper.

Twentieth Defense

The Federal Arbitration Act, 9 U.S.C. §1, et seq. applies to and requires the arbitration of any and all claims which have been or may be brought against McWane that fall within any applicable arbitration provision in any contract or agreement applicable to any purported class member, including any contract or agreement which benefits any member of the purported class. This Answer is filed without waiving, and specifically reserving, McWane's right to arbitrate any claims, including any claim of a purported class member, covered by an arbitration provision.

NOTICE OF RESERVATION

McWane hereby gives notice that it intends to rely upon such further defenses as may be available or apparent during pretrial proceedings in this action and hereby reserves its right to amend its Answer and assert all such defenses.

PRAYER FOR RELIEF

McWane requests that Plaintiffs' Second Amended Complaint be dismissed with prejudice, that the Court find that Plaintiffs are not entitled to any judgment or relief, that the 47

Court enter judgment in favor of McWane, and that the Court award McWane its attorneys' fees, costs, and expenses, pre-judgment interest, and such other and further relief as the Court deems just and proper.

October 30, 2013

Respectfully submitted,

/s/ Mark Salah Morgan_

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and-

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Attorneys for Defendant McWane, Inc.

CERTIFICATE OF SERVICE

I hereby certify that on the 30th day of October, 2013, a copy of the Answer to Plaintiffs' Second Amended Class Action Complaint was filed and served on all counsel of record by McWane, Inc. via the Court's electronic filing system.

/s/ Mark Salah Morgan
Mark Salah Morgan