

FOR
IMMEDIATE
RELEASE
[DATE]

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**JOINT PRESS RELEASE
SETTLEMENT OF CLASS ACTION**

CALHOUN, Ga. [DATE] – Mohawk Industries, Inc. (NYSE: MHK) (“Mohawk”) and a proposed class of plaintiffs have reached a settlement agreement in a six-year old lawsuit that was filed in federal district court in Rome, Georgia in 2004 and heard by the U.S. Supreme Court in 2006. The plaintiffs are legally-authorized, hourly-paid workers who alleged that their wages at Mohawk’s facilities in Northwest Georgia were depressed by the hiring of illegal immigrants. The settlement entitles approximately 48,000 former and current hourly-paid Mohawk employees to claim awards from an \$18 million settlement fund. Mohawk is responsible for contributing a portion of the settlement funds, and the majority of the funds will be contributed by Zurich American Insurance Company, Mohawk's insurance carrier. Mohawk has also agreed to conduct training regarding the verification of employment eligibility.

In commenting on the settlement agreement, Mohawk's attorney Juan Morillo said, "Mohawk is pleased to have reached a settlement that allows the company to put behind it the expense and distraction associated with this case." In settling the case, Mohawk does not admit any of the plaintiffs' allegations of wrongdoing. "Mohawk has always trained its employees to comply with the immigration and workplace laws, and this settlement affirms the company's commitment to a continued culture of compliance," Morillo commented. "Mohawk has provided and continues to provide good jobs with great benefits to tens of thousands of workers in Georgia and elsewhere," said Morillo.

Howard Foster of Foster P.C. in Chicago, Illinois, who argued the employees' case in the Supreme Court, said, "We consider this a hard-fought case and are pleased with the settlement for the class. The class will receive significant monetary relief and the Company has agreed to train its personnel regarding the verification of employment eligibility." Class Counsel John Floyd added, "This settlement would not be possible without the efforts of the of law firms that represented the plaintiffs, Bondurant, Mixson & Elmore, LLP; Cook & Connelly; Johnson & Bell, Ltd.; Foster PC; and Matthew D. Thames, Attorney-at-Law, LLC."

Foster noted the lengthy procedural history of the case, which included three years of litigation to resolve Mohawk's appeal of U.S. District Court Judge Harold L. Murphy's 2004 ruling that the plaintiffs stated a claim under the federal and Georgia RICO laws. After the U.S. Court of Appeals for the Eleventh Circuit affirmed that ruling, the U.S. Supreme Court heard the case in 2006. The Supreme Court ultimately returned the case to the Eleventh Circuit, which ruled that the plaintiffs could proceed in 2007.

The parties then undertook discovery on whether the case should be granted class action status. In 2008, Judge Murphy denied the plaintiffs' Motion for Class Certification, precluding the proposed class of employees from obtaining relief in this case. The Eleventh Circuit accepted the plaintiffs' request to review that decision, and in May 2009, vacated the decision denying class certification and sent the case back to Judge Murphy to reconsider the question of class certification. Settlement discussions occurred after the two sides agreed on a mediator. The parties reached agreement on the terms of a settlement in December 2009 at the federal courthouse in Rome, Georgia and then prepared a settlement agreement.

Judge Murphy will now be asked to preliminarily approve the settlement. Mohawk and Class Counsel are confident that that the settlement should be approved. Upon preliminary approval, notice of the settlement will be mailed to the class members, and the Court will then hold a hearing to consider final approval of the settlement.