IN THE COURT OF COMMON PLEAS OF ALLEGHENY COUNTY, PENNSYLVANIA

REUNION INDUSTRIES, INC., a Delaware Corporation,) CIVIL DIVISION
Plaintiff,	No. \$106-7965
v.	COMPLAINT
DOE 1 a/k/a DENUNZ2005, an adult individual, DOE 2 a/k/a STOCKER606, an adult individual and DOE 3 a/k/a PUN 2 DEX,)))
an adult individual,) Filed on behalf of Plaintiff:
Defendants.	REUNION INDUSTRIES, INC.
	Counsel of Record for this Party: Stephen J. Del Sole, Esquire PA ID# 73460 Bryan C. Devine, Esquire PA ID # 88355 DEL SOLE CAVANAUGH, LLC The Waterfront Building 200 First Avenue, Suite 200 Pittsburgh, PA 15222 Tel: (412) 261-2393 Fax: (412) 261-2110
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IN THE COURT OF COMMON PLEAS OF ALLEGHENY COUNTY, PENNSYLVANIA

REUNION INDUSTRIES, INC., d/b/a CP INDUSTRIES, a Pennsylvania Corporation,) CIVIL DIVISION) No.
Plaintiff,)
v.)
DOE 1 a/k/a DENUNZ2005, an adult individual, DOE 2 a/k/a STOCKER606, an adult individual and DOE 3 a/k/a PUN 2 DEX, an adult individual,))))
Defendants.)

NOTICE

YOU HAVE BEEN SUED IN COURT. IF YOU WISH TO DEFEND AGAINST THE CLAIMS SET FORTH IN THE FOLLOWING PAGES, YOU MUST TAKE ACTION WITHIN TWENTY (20) DAYS AFTER THIS COMPLAINT AND NOTICE ARE SERVED, BY ENTERING A WRITTEN APPEARANCE PERSONALLY OR BY ATTORNEY AND FILING IN WRITING WITH THE COURT YOUR DEFENSES OR OBJECTIONS TO THE CLAIMS SET FORTH AGAINST YOU. YOU ARE WARNED THAT IF YOU FAIL TO DO SO THE CASE MAY PROCEED WITHOUT YOU AND A JUDGMENT MAY BE ENTERED AGAINST YOU BY THE COURT WITHOUT FURTHER NOTICE FOR ANY MONEY CLAIMED IN THE COMPLAINT OR FOR ANY OTHER CLAIM OR RELIEF REQUESTED BY THE PLAINTIFF. YOU MAY LOOSE MONEY OR PROPERTY OR OTHER RIGHTS IMPORTANT TO YOU.

YOU SHOULD TAKE THIS PAPER TO YOUR LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER OR CANNOT AFFORD ONE, GO TO OR TELEPHONE THE OFFICE SET FORTH BELOW TO FIND OUT WHERE YOU CAN GET LEGAL HELP:

LAWYERS REFERRAL SERVICE
THE ALLEGHENY COUNTY BAR ASSOCIATION
436 SEVENTH AVENUE
400 KOPPERS BUILDING
PITTSBURGH, PENNSYLVANIA 15219
TELEPHONE: (412) 261-6161

IN THE COURT OF COMMON PLEAS OF ALLEGHENY COUNTY, PENNSYLVANIA

REUNION INDUSTRIES, INC., d/b/a CP INDUSTRIES, a Pennsylvania Corporation,) CIVIL DIVISION) No.
Plaintiff,)
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DOE 1 a/k/a DENUNZ2005, an adult individual, DOE 2 a/k/a STOCKER606, an adult individual and DOE 3 a/k/a PUN 2 DEX, an adult individual,))))
Defendants.)

COMPLAINT

Plaintiff, Reunion Industries, Inc. d/b/a CP Industries, by and through its undersigned counsel, files the following Complaint and states as follows:

PARTIES

- 1. Plaintiff Reunion Industries, Inc. ("Reunion") is a Delaware corporation with its principal place of business located at 11 Stanwix Street, Suite 1400, Pittsburgh, Allegheny County, Pennsylvania 15222. Reunion is qualified to do business in the Commonwealth of Pennsylvania.
- 2. Defendant Doe 1 is an individual of unknown residence using the alias "denunz2005" ("Doe 1") for posting messages on the Yahoo! Finance bulletin board designated for Reunion (found under the ticker symbol "RUN") and in his/her other communications over the internet. Plaintiff Reunion will amend this Complaint to allege the true name and capacity of Doe 1 when ascertained.
- 3. Defendant Doe 2 is an individual of unknown residence using the alias "stocker606" ("Doe 2") for posting messages on the Yahoo! Finance bulletin board designated

for Reunion (found under the ticker symbol "RUN") and in his/her other communications over the internet. Plaintiff Reunion will amend this Complaint to allege the true name and capacity of Doe 2 when ascertained.

4. Defendant Doe 3 is an individual of unknown residence using the alias "pun2dex" ("Doe 3") for posting messages on the Yahoo! Finance bulletin board designated for Reunion (found under the ticker symbol "RUN") and in his/her other communications over the internet. Plaintiff Reunion will amend this Complaint to allege the true name and capacity of Doe 3 when ascertained.

JURISDICTION AND VENUE

5. Reunion is a resident of Allegheny County, Pennsylvania. Further, Reunion's causes of action against all defendants arose in Allegheny County because the defendants published their defamatory statements in Allegheny County, Pennsylvania and because Reunion suffered damages in Allegheny County, Pennsylvania.

FACTUAL BACKGROUND

- 6. Reunion is a publicly traded company traded on the NASDAQ exchange under the ticker symbol "RUN."
- 7. Reunion's Chief Executive Officer ("CEO") is Kimball Bradley. Prior to serving as CEO, Kimball Bradley served as Reunion's Chief Operating Officer.
- 8. The Yahoo! Finance bulletin board is part of the Yahoo! Website finance channel. Each publicly traded company has its own designated bulletin board. Each bulletin board provides its members a forum to post messages over the internet regarding specific publicly traded companies.

- 9. Reunion has been the subject of numerous defamatory messages posted on its designated Yahoo! Finance Bulletin board by Doe 1 a/k/a denunz2005, Doe 2 a/k/a stocker606 and Doe 3 a/k/a pun2dex.
- 10. On or about March 1, 2006, Defendant Doe 1 a/k/a denunz2005, willfully, without justification and without privilege published or caused to be published to other person on the internet, including specifically the Yahoo! Finance bulletin board designated for RUN and found under the ticker symbol "RUN," the following post:
 - a. "OK, its just good to know that my sources are still accurate---I didn't think they were sold but, as I have been saying for a few months---THEY ARE RIPE FOR THE PICKIN'

I also heard their raw material is drying up and their former parent, U.S. Steel, is cutting back on their allocation of steel and demanding payment in advance. The PV Div. is going to RUN dry in short order, Employees are panicking because their is business to be had but no raw material to fill the orders.

Meanwhile, the competition has the money to stockpile the steel and they are picking up all the business because they have the material.

Doesn't bode well for RUN---they better sell while the books are full.

I wonder how many employees would be surprised if they knew whose resume is out on the street---even at his age!

A true and correct copy of the post is attached hereto as Exhibit A.

- 11. On or about February 7, 2006, February 8, 2006, February 21, 2006, February 23, 2006 and March 8, 2006, Defendant Doe 2 a/k/a stocker 606, willfully, without justification and without privilege published or caused to be published to other persons on the internet, including specifically the Yahoo! Finance bulletin board designated for RUN and found under the ticker symbol "RUN," the following posts:
 - a. "So why has the Board or the Bondholders not taken some action to get competent management in place and drop the looser who has been running

the company into the ground. I have a friend who says this guy bought a box at the Steeler Football Stadium with Company money, a lot of it, and takes his friends on Reunion money, not customers. What is wrong. Does the Board think it will not get sued when the company goes under for not doing its job? Think again."

- b. "You are being kind to say that Kimball is asleep at the wheel. The truth is that he is being as awake and alert as he can be. The problem. Is a lack of intellect and a huge ego. This is a fatal combination. The idea that this boy cannot find another job should not be a reason for keeping him in place, but its true. The Board are all beholden to the Bradleys, and Kimball cannot function away from the golf course. He will never be of value to anyone, and he is killing this company. He has no clue how to right the ship. Ask him and he will probably tell you what a great job he is doing in hard times. He is afraid to ask for help He views it as a sign of weakness, and he would look bad in the eyes of the YPO "Friends" who mostly concur that he is in way over his head. When this ship sinks, someone better keep the sharp objects out of his reach. He will have no one to lay the blame off on, and only a mirror to talk to. Where is the Board?"
- c. "In response to your comment, those notes you mention are right on the money. The problem with Reunion is management. When a father buys a public company so his son can be employed, that is bad news for the shareholders where the son lacks any ability to run a business. Kimball has had ample time to prove himself and he has. He cannot run a company. Even a father should put the public shareholders ahead of his worthless son. I suggest you call Kimball yourself. From the tone of your posting you could have a nice discussion. Neither of you can read a financial statement or know the basics of business. Please buy more shares and encourage you friends and family to buy as well. If This is your kind of company, no one will convinced you otherwise. With some people, reason is the enemy."
- d. "I think you will find that Kimball has been running the show since 1999. The criticism is directed to the Board in a frustrated attempt to make them do their job, that is hire someone to replace a failed executive. Some shareholders are in so deep that they cannot get off the bus, and hope that a group of Directors will see the light and stop the carnage or get sued for their failure to be a Board concerned with the shareholders and not feelings of the boy who is driving the bus off a cliff."
- e. "The results post 1999, were brought to you by the Wonder Boy. Ol' big hat, no cattle himself, Dimball Bradley. And a credit he is to The Young Presidents Organization."

f. "God help us. Dimball is now CEO. The old CEO has taken leave, and left us in the hands of an incompetent. This lad comes to work occasionally; knows nothing about the company, but looks good and smiles broadly. Hope that the New York guys are truly running things. Father to son. Stockholders are in for a rough ride. This kid is clueless. Perhaps he will stay after 3:00pm now that he is in charge, but I doubt it. Watch the door of the YMCA. He is wet by 3:15, and on company time. When will he wake up and remember that he works for the shareholders and not for his abs. He will be forced to find meaningful work someday now that his father is fading and he should recall that he is building a record that will haunt him. Those guys in YPO are all smiles when you are in the seat, and will not return calls when you failure is monumental and unforgettable. This poor lad's fate is sealed unless he wakes up and does his job."

True and correct copies of the posts are attached to the Complaint as Exhibit B.

- 12. On or about February 2, 2006, February 22, 2006, and March 9, 2006, Defendant Doe 3 a/k/a pun2dex, willfully, without justification and without privilege published or caused to be published to other persons on the internet, including specifically the Yahoo! Finance bulletin board designated for RUN and found under the ticker symbol "RUN," the following posts:
 - a. "Run has \$25,000,000.00 in junk bond debt, on which they have not made an interest payment in years. They are in default of the bond covenants, Bank Covenants and are always threatening bankruptcy to hold off the bondholders. How do you arrive at the 'no debt' conclusion?"
 - "There is a apparent disconnect between blind optimism and business b. sense. A manager should get out of his office and go to customers, visit the plants and find new markets, new products and new businesses to bring a company above the profit line. He does not refinance a sea of debt over a five year reign, sell the devisions that earn a profit, add no new ones, shrink the revenue and raise his own salary, while buying a stadium box for his personal use with company funds, leave the office by 3:00 pm every weekday, work no weekends or evenings and pine for a job that makes 'real money'. This guy is rearranging the deck chairs on the Titanic, and only on a part time basis at that, while he works on his golfing handicap. We write in the hope that the board will wake up and find a real CEO. Will recognize that has a duty to the shareholders and not to an incompetent young boy who cannot fine a job on his own. Check his college history and ask him about his grades. A father cannot be blamed for wanting to help his son, but not in a public company, not at shareholder expense. Wake up. The movie stinks, but I paid to see it and am entitled to complain. The bus is being driven over a cliff, and as a

passenger I cannot get off and will continue to point out the obvious, that this company is being run by an incompetent manager with a rubberstamp board that someday will be called to answer personally. At worldcom each boardmember was required to pay 20% of his personal net worth to the shareholders because they ignored guys like me. It will happen again."

c. "This is just more rearranging of the deck chairs on the Titanic. K
Bradley probably thinks he did something meriting a huge bonus or
perhaps a pay increase, but look at what has happened since he became
COO. Straight down for revenues, profits and share price. I agree he
probably can't sleep at night, but should still put in a full day, although
with his ability, the company would do better without him. Still, Dad likes
him, so he gets promoted, GO figure. After all the comments about YPO,
I did some research and have concluded that they are a circle of jerks or a
circle jerk. Our boy fits right in."

True and correct copies of the posts are attached to the Complaint as Exhibit C.

13. Defendants' statements were seen and read by persons in Pennsylvania and throughout the world who use the internet and specifically persons who access the Yahoo! Finance bulletin board designated for RUN.

COUNT – I – COMMERCIAL DISPARAGEMENT Plaintiff v. Defendants Doe 1, Doe 2 and Doe 3

- 14. Paragraphs 1 through 12 of the Complaint are hereby incorporated by reference as if set forth at length herein.
 - 15. Defendants' statements disparaged Reunion's business in that they indicate that:
 - a. Reunion has insufficient raw materials to conduct its business;
 - b. a primary supplier is reducing their allocation of steel to Reunion and requiring it to make payment in advance;
 - c. Kimball Bradley, Reunion's current CEO and former COO, is incompetent;
 - d. Kimball Bradley, Reunion's current CEO and former COO, has converted Reunion funds to purchase a luxury box at Heinz Field for his personal use;

e. Reunion's Board of Directors are not independent and simply rubberstamp any action proposed by Kimball Bradley, Reunion's current CEO and former COO;

f. Reunion is in default of its bank and bond covenants.

16. Each of the aforementioned statements were and are false.

17. Defendants intended their statements to cause pecuniary loss to Reunion or reasonably should have recognized that their posts would result in pecuniary loss to Reunion;

18. Defendants either knew that their statements were false or they acted in reckless

disregard of their truth or falsity.

19. As a direct and proximate result of Defendants' posting of the false statements,

Reunion has suffered an injury to its reputation, has suffered an injury to its business and has

been exposed to hatred, contempt and ridicule.

WHEREFORE, Plaintiff Reunion Industries, Inc. requests this Honorable Court to enter

judgment in her favor and against Defendants Doe 1, Doe 2 and Doe3 in a sum in excess of the

jurisdictional limits of the Board of Arbitrators of this Honorable Court plus punitive damages.

DEL SOLE CAVANAUGH LLC

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The Waterfront Building 200 First Avenue, Suite 200 Pittsburgh, PA 15222

Attorneys for Plaintiff Reunion Industries, Inc.

VERIFICATION

I, Kimball J. Bradley, Chief Executive Officer of Reunion Industries, Inc. have read the foregoing Complaint and verify that the statements therein are true and correct to the best of my knowledge, information and belief.

This verification is made subject to the penalties of 18 Pa. C.S.A. § 4904 relating to unsworn falsification to authorities, which provides that if a person knowingly makes false statements, he may be subject to criminal penalties.

Date: 4/2/06

Kimball J. Bradley

Chief Executive Officer of Reunion Industries, Inc.