

STATE OF MICHIGAN
OAKLAND COUNTY CIRCUIT COURT

GARY MASON, individually and as
representative of a class of
similarly-situated persons and entities,

Case No. 2016-152441-CZ
Hon. Nanci Grant

Plaintiff,

v.

CHARTER TOWNSHIP OF WATERFORD,
a municipal corporation,

Defendant.

Gregory D. Hanley (P51204)
Jamie K. Warrow (P61521)
Edward F. Kickham Jr. (P70332)
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**STIPULATED ORDER REGARDING PRELIMINARY APPROVAL OF CLASS
ACTION SETTLEMENT, NOTICE AND SCHEDULING**

At a session of said Court held in the
City of Pontiac, County of Oakland
State of Michigan on 5/26/2017
PRESENT: HON. Nanci J. Grant
Circuit Court Judge

Plaintiff commenced this action (the "Lawsuit") challenging two cost components included in the Township's water and sewer rates, specifically (1) administration expense charges by the Township to the Water and Sewer Fund, and the Township's practices of not paying for services provided by the Water and Sewer Fund to the General Fund and not allocating a share of the refunds received from the Michigan Municipal Risk Management Association (the "MMRMA") to the Water and Sewer Fund in proportion to the amounts paid by the Water and Sewer Fund (the "General Fund Support

Charge”) and (2) the cost of public fire protection provided by the Township’s water supply system (the “Public Fire Protection Charge”) (collectively the “Charges”), imposed by the Township on users of its water and sanitary sewage disposal services, as more particularly described in Plaintiff’s First Amended Complaint (the “FAC”) in the Lawsuit;

Plaintiff and Defendant have made a joint Motion for Preliminary Approval of the Class Action Settlement Agreement to resolve this Lawsuit (referred to as the "Agreement" and attached as Exhibit 1);

Plaintiff and Defendant seek preliminary approval of the Agreement for purposes of, among other things, notifying class members of the proposed settlement; and intend to make application to this Court, pursuant to MCR 3.501(E), for a Final Order approving the settlement of this class action in accordance with the terms set forth in the Agreement ("Settlement");

The Court has been made aware of the process leading to the Agreement reached, and counsel have demonstrated that the Settlement was the result of arm’s length bargaining of counsel well versed in all of the issues.

IT IS HEREBY ORDERED:

1. The Court preliminarily approves the terms of the Agreement, and pursuant to MCR 3.501, the “Class,” as defined in Paragraph 2 of the Agreement, is hereby certified for purposes of the Settlement provided in the Agreement only.

2. A hearing (the “Settlement Hearing”) will be held before this Court on September 20, 2017, at 8:30 a.m. to determine whether the proposed Settlement on the terms and conditions provided in the Agreement is fair, reasonable, and adequate and should be approved by the Court, to determine whether a final judgment should be entered dismissing this Lawsuit with prejudice, and without costs, and to determine whether to award attorneys’ fees and expenses to Class Counsel and the amount of such fees and expenses.

3. The notification to the members of the Class regarding the Settlement, as authorized in Paragraphs 4 and 6 of this Order, is the best notice practicable under the circumstances, is in compliance with MCR 3.501, and the requirements of due process of law, and will adequately inform class members of their rights.

4. On or before 28 days from the entry of this Order, Plaintiff's Counsel shall cause a Notice of Proposed Class Action Settlement ("Notice"), substantially in the form attached to the Agreement as Exhibit "B," to be mailed to members of the Class at the service addresses for Defendant's accounts. Plaintiff shall arrange for the publication of notice, substantially in the form attached to the Agreement as Exhibit "C", in the Oakland Press newspaper on two occasions, and in the Detroit News newspaper on one occasion prior to June 30, 2017.

5. The law firm of Kickham Hanley PLLC ("KH") is hereby appointed as Claims-Escrow Administrator for this Action. KH is authorized to use the services of the Garden City Group, as provided in the Agreement.

6. Any Class member that has filed and served written objections on or before August 9, 2017, in the manner described in Exhibits B and C of the Agreement, may appear personally, or by counsel of his or her own choice and at his or her own expense at the Settlement Hearing to show cause why: (a) the proposed settlement of the claims asserted should or should not be approved as fair, just, reasonable, adequate and in good faith; (b) judgment should or should not be entered thereon; (c) the Plaintiff attorneys' fees and expenses and Claims-Escrow Administrator expenses should or should not be paid; and (d) the Court should nor should not grant relief on other matter(s) that may be considered by the Court at or in connection with said Settlement Hearing.

7. Any Class member who does not object in the manner provided above will be deemed to have waived such objection to the fairness, adequacy, or reasonableness of the proposed Settlement and the awards of attorney's fees and expenses it provides for.

8. As stated in Paragraph 5, KH is authorized to serve as the Claims-Escrow Administrator. The Claims-Escrow Administrator, with the assistance of the Garden City Group, shall be responsible for holding the Settlement Fund in escrow, reviewing claims for, determining, and allocating each Class Member's Pro Rata Share of the Net Settlement Fund, and filing a report of proposed payment and credit distributions of those Pro Rata Shares as provided in Paragraphs 8, 9, 10, and 11 of the Agreement, and after Court approval at the Settlement Hearing, to distribute and account for the disposition of the Net Settlement Fund as provided in Paragraphs 12, 13, and 14 of the Agreement. The Claims-Escrow Administrator shall also be responsible for: (a) recording receipt of all responses to the Notice; (b) preserving until further Order of this Court any and all written communications from Class members or any other person in response to the Notice; and (c) making any necessary filings with the Internal Revenue Service. The Claims-Escrow Administrator may respond to inquiries, but copies of all written answers to such inquiries will be maintained and made available for inspection by all counsel in this action.

9. All papers in support of the settlement shall be filed with the Court and served on the other parties no later than seven (7) days prior to the Settlement Hearing.

10. The Court expressly reserves its right to adjourn the Settlement Hearing without any further notice to members of the Class. The Court retains jurisdiction of this action to consider all further applications arising out of or connected with the proposed Settlement.

11. All pretrial and trial proceedings in the Lawsuit are stayed and suspended until further order of the Court. Pending the final determination of the fairness, reasonableness and adequacy of the Settlement, no Plaintiff or member of the Class may institute or commence any action or proceeding against Defendant asserting any of the claims asserted in this action.

12. Subject to the terms of Paragraphs 13-14 below, if the Agreement and Settlement is disapproved, in part or in whole, by the Court, or any appellate court; if dismissal of the Lawsuit with

prejudice against Defendant cannot be accomplished; if a final judgment on the terms set forth in Paragraph 25 of the Agreement is not entered within 120 days after the entry of this Order; if the Settlement Date defined in Paragraph 5 of the Agreement does not occur prior to October 31, 2017; or if the Agreement and Settlement otherwise is not fully consummated and effected:

a. The Agreement shall have no further force and effect and it and all negotiations and proceedings connected therewith shall be without prejudice to the rights of Defendant, the Named Plaintiff and the Class;

b. The Claims-Escrow Administrator shall immediately return to Defendant any and all monies provided by Defendant for settlement purposes; and

c. The Court shall enter a new Scheduling Order granting reasonable continuances of the previously established scheduling dates, including a new trial date, for the Parties to resume their preparations for trial and respond to the Court's rulings on Plaintiff's pending class certification motion and Defendant's pending motion for partial summary disposition.

13. Defendant and Class Counsel may, in their sole and exclusive discretion, elect to waive any or all of the terms, conditions or requirements, or extend any or all of the deadlines stated in Paragraph 12. Such waiver or extension must be memorialized in a writing signed by Defendant and/or its counsel and Class Counsel and delivered via certified mail to opposing counsel, or it will have no force or effect. Any such waiver or extension shall not be binding on the Court.

Dated: 5/26/2017, 2017.

/s/Nanci J. Grant

Honorable Nanci Grant AF
Oakland County Circuit Court Judge

We hereby stipulate to the entry of the above order.

Approved as to form and substance:

/s/ Gregory D. Hanley

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