

STATE OF MICHIGAN
OAKLAND COUNTY CIRCUIT COURT

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

Plaintiff,

v.

CHARTER TOWNSHIP OF WATERFORD,
a municipal corporation,

Defendant.

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

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
Oakland County Circuit Court Judge

AF

We hereby stipulate to the entry of the above order.

Approved as to form and substance:

/s/ Gregory D. Hanley

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/s/ Gary L. Dove

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EXHIBIT - 1

STATE OF MICHIGAN
OAKLAND COUNTY CIRCUIT COURT

GARY MASON, individually and as
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CHARTER TOWNSHIP OF WATERFORD,
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CLASS ACTION SETTLEMENT AGREEMENT

This Class Action Settlement Agreement (“Agreement”) is made this 22 day of May, 2017, by and between the following (all of which are hereinafter collectively referred to as the “Parties”): Plaintiff Gary Mason (“Named Plaintiff”), individually, and on behalf of a class of similarly situated persons and entities (as more specifically defined in Paragraph 2 below, the “Class”), acting by and through his counsel, Kickham Hanley PLLC (“Class Counsel”), and Defendant Charter Township of Waterford (the “Township”).

WHEREAS, the above captioned lawsuit (the “Lawsuit”) commenced by Plaintiff and pending in Oakland County Circuit Court challenges 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. Plaintiff alleges that the inclusion of such Charges in the Township's water and sewer rates ("Rates") are motivated by a revenue-raising and not a regulatory purpose, that they are disproportionate to the Township's actual costs of providing water and sewer services, and that (1) the Charges are therefore unlawful under the Headlee Amendment to the Michigan Constitution and (2) the Township is liable for a refund of the Charges under a theory of assumpsit.

WHEREAS, Plaintiff's Complaint and First Amended Complaint in the Lawsuit each alleged that the Lawsuit should be maintained as a class action on behalf of a class consisting of persons or entities who or which have paid or incurred the Charges during the permitted time periods preceding the filing of this Lawsuit and/or at any time during the pendency of this action.

WHEREAS, on January 25, 2017, the Court heard Plaintiff's motion for class certification, which motion remains pending;

WHEREAS, on April 12, 2017, the Court heard Defendant's Motion for Partial Summary Disposition, which motion remains pending;

WHEREAS, the Township denies that the Charges are improper; denies that it has intentionally or negligently committed any unlawful, wrongful or tortious acts or omissions, violated

any constitutional provision or statute, or breached any duties of any kind whatsoever; denies that it is in any way liable to any member of the Class; and states that the claims asserted in the Lawsuit have no substance in fact or law, and the Township has meritorious defenses to such claims; but, nevertheless, has agreed to enter into this Agreement to avoid further expense, inconvenience, and distraction and risks of burdensome and protracted litigation, and to obtain total and final peace, satisfaction and protection from the claims asserted in the Lawsuit.

WHEREAS, the Named Plaintiff in the Lawsuit and Class Counsel have been provided with discovery and have conducted investigations into the facts of the Lawsuit, have made a thorough study of the legal principles applicable to the claims in the Lawsuit, and have concluded that a class settlement with the Township in the amount and on the terms hereinafter set forth (the "Settlement") is fair, reasonable, and adequate, and is in the best interest of the Class.

WHEREAS, the Parties desire to compromise their differences and to resolve and release all of the claims asserted by the Named Plaintiff and the Class in the Lawsuit.

NOW, THEREFORE, in consideration of the covenants and agreements herein, and intending to be legally bound, the Parties hereby agree as follows:

IMPLEMENTATION OF AGREEMENT

1. The Parties agree to cooperate in good faith, to use their best efforts, and to take all steps necessary to implement and effectuate this Agreement and the Settlement provided for herein.

CLASS CERTIFICATION

2. The Parties agree to certification of a class consisting of all persons or entities who/which paid the Township for water and sewer service between April 11, 2010, and May 31,

2017 (the “Class”). This Agreement is intended to settle all of the claims of the members of the Class (“Class Members”).

SETTLEMENT FUND

3. The Township will create a Settlement Fund (the “Settlement Fund”) in the amount of One Million Four Hundred Thousand Dollars (\$1,400,000) in order to resolve the claims of the Class. At least 14 days before the final settlement approval hearing described in Paragraphs 23 and 25, the Township shall deposit the Settlement Fund into the IOLTA Trust Account of Class Counsel, Kickham Hanley PLLC. The Settlement Fund shall be administered by Kickham Hanley PLLC (the “Claims-Escrow Administrator”) with the assistance of the Garden City Group (“GCG”). The expenses the Claims-Escrow Administrator incurs to GCG shall be recoverable by the Claims-Escrow Administrator as a cost of the litigation under Paragraphs 30-33 of this Agreement (subject to Court approval) and payable out of the Settlement Fund. The Claims-Escrow Administrator may from time to time apply to the Court for instructions or orders concerning the administration of the Settlement Fund and may apply to the Internal Revenue Service for such rulings with respect thereto as it may consider appropriate. Disbursements from the Settlement Fund by the Claims-Escrow Administrator shall be expressly conditioned upon an order of the Court permitting such disbursements.

4. Except as set forth in Paragraphs 27 through 30 of this Agreement, the Class and Class Counsel shall not claim any attorneys’ fees or costs.

5. Subject to Paragraph 31, distribution of the Settlement Fund shall occur no later than seven (7) days after the completion of the last of all of the following (the “Settlement Date”):

a. entry of an order of final judicial approval by the Court approving this Agreement pursuant to Michigan Court Rule 3.501(E);

b. entry of an order adjudicating Class Counsel's motion for an award of attorneys' fees and costs;

c. entry of a final judgment of dismissal of the Lawsuit with prejudice with respect to the claims of the Named Plaintiff and all Class Members, except those putative Class Members who have requested to be excluded from the Class pursuant to MCR 3.501(D);

d. the Township's deposit of the Settlement Fund described in Paragraph 3 above;

e. the Court's entry of the Distribution Order described in Paragraph 11 below; and

f. the expiration of the 21-day time for appeal of all of the aforementioned orders and judgments and final resolution of any and all appeals of such orders and judgments, but only if any Class Member files a timely objection to any of the aforementioned orders and judgments.

6. As more specifically discussed below, and as provided in Paragraph 5, the Settlement Fund shall be distributed only pursuant to and in accordance with orders of the Court, as appropriate.

7. In the event this Settlement fails to be consummated pursuant to this Agreement or fails to secure final approval by the Court for any reason or is terminated pursuant to Paragraph 31, the Settlement Fund shall immediately be returned to the Township.

DISTRIBUTION OF SETTLEMENT FUND

8. The "Net Settlement Fund" to be distributed to the Class is the Settlement Fund less the combined total of: (a) attorneys' fees and any incentive award to the Class representative awarded pursuant to Paragraphs 27-30; and (b) Class Counsel and Claims-Escrow Administrator expenses reimbursed pursuant to Paragraphs 27-30.

9. Each Class Member's share in the Net Settlement Fund shall be referred to herein as his, her or its "Pro Rata Share," and each Class Member's Pro Rata Share of the Net Settlement Fund will be distributed via a refund payment or credit. The Pro Rata Share to be allocated to each Class Member shall be determined according to Paragraph 10.

10. All Class Members may participate in the Settlement by receiving from the Net Settlement Fund a cash distribution Payment or Credit (as defined in Paragraph 10.b). The Net Settlement Fund shall be distributed as follows:

a. Within 14 days after the Court's entry of an order preliminarily approving this Settlement, the Township shall provide the Claims-Escrow Administrator with billing and payment records in electronic form that, at a minimum, provide for the Class Period (April 11, 2010 through May 31, 2017) the service address, account number, and billing and payment history for each water and sewer account, with the Township allowed an additional 14 days if needed to provide the complete billing and payment history. The Claims-Escrow Administrator will provide notice to the Class Members at the service addresses through first-class mail. The Claims-Escrow Administrator is authorized to utilize the services of GCG in disseminating notices to the Class. Such forms of notice will not be required to be exclusive and the Claims-Escrow Administrator will be allowed to use any appropriate means to give notice to Class Members of the Settlement and the opportunity to obtain a refund. Class Counsel will also provide newspaper publication notice to the Class as provided in Paragraph 24.

b. To qualify to receive a distribution of cash via check (a "Payment") from the Net Settlement Fund, Class Members will be required to submit sworn claims (the "Claims") which identify their names, current addresses, and the service address and periods of time in which they paid the Charges in order to participate in the Settlement. Class Members who submit Claims

will hereafter be referred to as the "Claiming Class Members." The Claiming Class Members will be required to submit those claims no later than 30 days prior to the hearing on the final approval of this settlement, as described in Paragraph 25 (the "Claims Period"). The Claiming Class Members also will be required to provide a unique identifying number printed on the Class notice, as an additional verification of their identity. The foregoing is a general outline. GCG will assist in implementing a process designed to minimize fraud and maximize dissemination of the refunds to the appropriate parties. In the event that two or more parties claim to have paid or incurred Charges for the same water and/or sewer account, after notifying the Township of the competing claims and considering any Township information, documents, and recommendation provided in response to the notice, the Claims-Escrow Administrator shall have the absolute discretion to determine which party or parties are entitled to participate in the settlement, and the Township shall cooperate by providing information in its possession concerning the disputed property.

c. The Claims-Escrow Administrator shall calculate each Class Member's pro rata share of the Net Settlement Fund (the "Pro Rata Share"). Only those Class Members who paid for water and/or sewer service during the Class Period and submit a timely Claim are entitled to distribution by a cash Payment of a Pro Rata Share of the Net Settlement Fund. The Pro Rata Shares of the Net Settlement Fund for Class Members that do not submit a timely claim will be distributed by the Claims-Escrow Administrator returning those funds to the Township to be used to fund and provide a Credit on each water and/or sewer service account for which there was no Claiming Class Member in the amount of those Class Members' Pro Rata Shares. The Claims-Escrow Administrator or GCG shall calculate the amount of the credits to be applied to the accounts of the non-claiming Class Members. Any credits will attach to the account associated with the

Charges and will remain until Charges accrued after the Settlement Date exceed the amount of the Credit.

The Claims-Escrow Administrator is authorized to utilize the services of GCG to calculate the Pro Rata Shares distributable to the Claiming Class Members. The size of each Claiming Class Member's Pro Rata Share shall be determined by (1) calculating the total amount paid for water and sewer service (excluding interest and penalty payments) by the Class Member during the Class Period and then (2) dividing that number by the total amount of water and sewer billings the Township collected during the Class Period and then (3) multiplying that fraction by the amount of the Net Settlement Fund. The size of each non-Claiming Class Member's Pro Rata Share shall be determined by account and service address by (1) calculating the total amount paid for water and sewer service (excluding interest and penalty amounts) by all non-claiming Class Members associated with each account and service address during the Class Period, (regardless of how many different non-claiming Class Members paid for water and sewer service with respect to that account and service address during the applicable class period) and then (2) dividing that number by the total amount of water and sewer billings the Township collected during the Class Period and then (3) multiplying that fraction by the amount of the Net Settlement Fund. With respect to accounts and service addresses for which there are both Claiming Class Members and non-claiming Class Members, the Pro Rata Shares shall be calculated as stated above after determining how much of the total amount was paid by each type of Class Member.

11. No later than 21 days prior to the hearing on the final approval of this settlement (as described in Paragraph 28), the Claims-Escrow Administrator shall submit to the Court a report setting forth the proposed disposition of the Net Settlement Fund including, without limitation, a list of Claiming Class Members and the percentage of the Net Settlement Fund to be paid to each

such Claiming Class Member and the amount to be returned to the Township to provide the credits on accounts for Non-Claiming Class Members described in Paragraph 10 (the "Distribution Report"). Upon filing of the Distribution Report, the Claims-Escrow Administrator shall serve copies of the Distribution Report on Counsel for the Township.

a. The Township shall have 14 days to object to the Distribution Report. All objections shall be resolved by the Court at or before the final approval hearing.

b. Class Counsel and Counsel for the Township, within seven (7) days after the resolution of any objections to the Distribution Report, or within seven (7) days after the deadline for submission of objections if no objections are submitted, whichever is later, shall submit to the Court a stipulated Distribution Order authorizing distribution from the Settlement Fund to the Class Members entitled to a distribution of the Net Settlement Fund ("Stipulated Distribution Order") in accordance with the Distribution Report, subject to the Court's final approval of this Settlement.

c. The Parties acknowledge that, because Class Members may have moved or ceased doing business since April 11, 2010, complete and current address information may not be available for all Class Members. The Township, Named Plaintiff, counsel for any Parties, the Claims-Escrow Administrator and GCG shall not have any liability for or to any member of the Class with respect to determinations of the amount of any distribution of the Settlement Fund to any Class Member or determinations concerning the names or addresses of the Class Members.

12. At a time consistent with Paragraph 5, following the entry of the Stipulated Distribution Order, the Claims-Escrow Administrator shall distribute from the Net Settlement Fund the Pro Rata Share of each Claiming Class Member. The Claims-Escrow Administrator is authorized to send checks reflecting Payments due to Claiming Class Members to the address provided by each

Claiming Class Member. The Claims-Escrow Administrator is further authorized to transfer the Net Settlement Fund to GCG so that GCG can distribute Payments in accordance with this Agreement.

13. The amounts of money covered by checks distributing the Payment of the Pro Rata Shares which: (a) are returned and cannot be delivered by the U.S. Postal Service after the Claims-Escrow Administrator (i) confirms that the checks were mailed to the identified addresses, and (ii) re-mails any checks if errors were made or it becomes aware of an alternative address or payee; or (b) have not been cashed within six (6) months of mailing, shall be refunded to the Township within thirty (30) days after the expiration of the six (6) month period; and the Class Members to whom such checks were mailed shall be forever barred from obtaining any payment from the Settlement Fund. The Township shall deposit any refund in its water and sewer fund and utilize any refund monies solely for the operation, maintenance and improvement of its water and sewer system.

14. Within thirty (30) days after the date on which the remaining Net Settlement Fund is distributed back to the Township, the Claims-Escrow Administrator shall file with the Court and serve on counsel for the Parties a document setting forth the names and addresses of, and the amounts paid to, each distributee of funds from the Settlement Fund together with a list of Claiming Class Members entitled to receive a Pro Rata Share but whose distribution checks have been returned or have not been cashed.

PROSPECTIVE RELIEF

15. Subject to its right to adjust the Rates as a result of changes in expenses or revenues from the amounts upon which the 2017 Water and Sewer Fund budget was based, and obligation to provide Credits as provided in Paragraph 10, the Township shall utilize its current methodology for setting Rates charged by the Township through December 31, 2017 (the "FY 2017 Period").

Beginning January 1, 2018, and ending December 31, 2024 (the "Prospective Relief Period"), the Rates may include as a component, the reasonable value of services provided by General Fund departments to the Township's water and sewer function (the "Administrative Fee"), provided the Township complies with the methodology of cost allocation utilized by Maximus in its October 2016 Report to the Township, takes into account the reasonable value of services provided by the Township's Water and Sewer Fund to the General Fund, and credits the Water and Sewer Fund its share of any MMRMA refunds received by the Township in proportion to the amount of the Township's payments to MMRMA paid or funded by the Water and Sewer Fund during the year in which an MMRMA refund is received.

16. During the Prospective Relief Period the Township will retain the discretion to adjust the Rates as necessary in order to reflect increases in expenses for sewage disposal from Oakland County, to reflect increases in operating expenses, and to allow for future repair to its water and sewer system and for future capital replacement(s), provided the Township utilizes a recognized rate setting method in adjusting the Rates.

17. The Township may not levy a tax or other assessment against property owners or water or sewer customers to finance, in whole or in part, the Settlement Fund (unless such tax or assessment receives voter approval), nor may the Township increase its Rates to finance, in whole or in part, the Settlement Fund. Regardless of the source of the funds the Township uses to establish the Settlement Fund, the Township shall not include as a recoverable cost in the setting of the Rates any amounts that it has contributed to the Settlement Fund.

18. The Class Members shall release the Township as provided in Paragraph 26 below. In addition to the release set forth in Paragraph 26 below, if the Township complies with the prospective relief described above for the duration of the FY 2017 Period and the Prospective Relief

Period, the Class Members who do not timely request exclusion from the Class shall be deemed to have released and waived any and all claims that could be brought which (a) arise during the FY 2017 Period challenging the inclusion of the Administrative Fee and the Public Fire Protection Charge in the Rates for the FY 2017 Period (the "FY 2017 Period Claims") and (b) arise during the Prospective Relief Period challenging the inclusion of the Administrative Fee and the Public Fire Protection Charge in the Township's Rates during the Prospective Relief Period (the "Prospective Relief Period Claims").

19. The Lawsuit will be dismissed with prejudice, subject only to the Court's continuing jurisdiction to enforce the terms of the settlement agreement.

CLAIMS-ESCROW ADMINISTRATOR

20. The Claims-Escrow Administrator shall not receive a separate fee for its services as Claims-Escrow Administrator. Because Class Counsel is acting as the Claims-Escrow Administrator, the fee awarded to Class Counsel shall be deemed to include compensation for its service as Claims-Escrow Administrator. The Claims-Escrow Administrator, however, shall be entitled to be reimbursed for its out-of-pocket expenses incurred in the performance of its duties (including but not limited to GCG's charges), which shall be paid solely from the Settlement Fund.

21. The Claims-Escrow Administrator, with the assistance of GCG, shall have the responsibilities set forth in this Agreement, including, without limitation, holding the Settlement Fund in escrow, determining the eligibility of Class Members to receive Payments, determining the Pro Rata Shares, distributing the Payments to Class Members receiving a Pro Rata Share, filing a Distribution Report consistent with Paragraph 11 and overseeing distribution of the remainder of the Net Settlement Fund as required by Paragraph 13. The Claims-Escrow Administrator, with the assistance of GCG, shall also be responsible for: (a) recording receipt of all responses to the notice;

(b) preserving until further Order of the 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 Lawsuit. The Claims-Escrow Administrator may delegate some or all of these responsibilities to GCG.

22. Any findings of fact of the Claims-Escrow Administrator and/or GCG shall be made solely for the purposes of the allocation and distribution of the Pro Rata Shares, and, in accordance with Paragraph 35, shall not be admissible for any purpose in any judicial proceeding, except as required to determine whether the claim of any Class Member should be allowed in whole or in part.

NOTICE AND APPROVAL OF SETTLEMENT

23. As soon as practicable, but in no event later than five (5) days after the execution of this Agreement, Class Counsel and Counsel for the Township shall submit this Agreement to the Court, pursuant to Michigan Court Rule 3.501, for the Court's preliminary approval, and shall request an Order of the Court, substantially in the form attached as Exhibit "A," including the following terms:

a. scheduling of a Settlement approval hearing to be held as soon as practicable after the entry of such Order but in no event later than 120 days thereafter to determine the fairness, reasonableness, and adequacy of this Agreement and the Settlement; whether the Agreement and Settlement should be approved by the Court; and whether to award the attorneys' fees and expenses requested by Class Counsel;

b. directing that notice, substantially in the form of Exhibit "B," be given to the members of the Class advising them of the following:

i. the terms of the proposed Settlement consented to by the Named Plaintiff and the Township;

ii. the scheduling of a hearing for final approval of the Agreement and Settlement;

iii. the rights of the members of the Class to appear at the hearing to object to approval of the proposed Settlement or the requested attorneys' fees and expenses, provided that, if they choose to appear, they must file and serve written objections at least fourteen (14) days prior to the hearing that set forth the name of this matter as defined in the Notice, the objector's full name, address and telephone number, an explanation of the basis upon which the objector claims to be a Class Member, all grounds for the objection including any known legal support for the objection, the number of times in which the objector has objected to a class action settlement in the past five years and a caption of each case in which an objection was filed, the identity of all counsel representing the objector at the hearing, a statement confirming whether the objector intends to appear and/or testify at the hearing (along with a disclosure of all testifying witnesses) and the signature of the objector (not just the objector's attorney);

iv. the nature of the release to be constructively entered upon approval of the Agreement and Settlement;

v. the binding effect on all Class Members of the judgment to be entered should the Court approve the Agreement and Settlement; and

vi. the right of members of the Class to opt out of the Class, the procedures for doing so, and the deadlines for doing so, including the deadline with respect to filing

and/or serving written notification of a decision to opt out of the Class (such deadline must be at least fourteen (14) days prior to the hearing);

c. providing that the manner of such notice shall constitute due and sufficient notice of the hearing to all persons entitled to receive such notice and requiring that proof of such notice be filed at or prior to the hearing; and

d. appointing Kickham Hanley PLLC as Claims-Escrow Administrator.

24. Notice to Class Members of the proposed settlement shall be the responsibility of Class Counsel pursuant to orders of the Court. Class Counsel shall be entitled to be reimbursed for the cost of such notice from the Settlement Fund, and Class Counsel shall make application for costs of notice to the Court at least seven (7) days before the Settlement approval hearing with the Court approving any costs at the time of the Settlement approval hearing. Such notice shall be substantially in the form attached hereto as Exhibit "B," and mailed by Class Counsel (or GCG) to the Class Members at the service addresses provided by the Township within 21 days of entry of the Order Regarding Preliminary Approval of this Agreement. Class Counsel will also provide publication notice to the Class, which shall be substantially in the form attached hereto as Exhibit "C" and shall be published in the Oakland Press on two occasions, and the Detroit News on one occasion, prior to June 30, 2017.

25. After the notice described in Paragraphs 23 and 24 has been mailed and published, the Court shall, consistent with Paragraph 23, conduct a hearing at which it rules on any objections to this Agreement and a joint motion for entry of a Final Order approving of this Settlement and Agreement. If the Court approves this Agreement pursuant to Michigan Court Rule 3.501(E), a final judgment, substantially in the form of Exhibit "D," shall be entered by the Court: (a) finding that the notice provided to Class Members is the best notice practicable under the circumstances and

satisfies the due process requirements of the United States and Michigan Constitutions; (b) approving the Settlement set forth in this Agreement as fair, reasonable, and adequate; (c) dismissing with prejudice and without costs to any Party any and all claims of the Class Members against the Township, excluding only those persons who in timely fashion requested exclusion from the Class; (d) awarding Class Counsel attorneys' fees, costs and expenses; (e) reserving jurisdiction over all matters relating to the administration of this Agreement, including allocation and distribution of the Settlement Fund; and (f) retaining jurisdiction to protect and effectuate this judgment.

RELEASE AND COVENANT NOT TO SUE

26. On the Settlement Date, each Class Member who has not timely requested exclusion therefrom shall be deemed to have individually executed, on behalf of the Class Member and his or her heirs, successors and assigns, if any, the following Release and Covenant Not To Sue, and the Final Order and Judgment to be entered by the Court in connection with the approval of this Settlement shall so provide:

In executing the Release and Covenant Not To Sue, each Class Member, on behalf of himself, herself or itself, and his, her or its parents, subsidiaries, affiliates, members, shareholders, predecessors, heirs, administrators, officers, directors, successors, assigns, and any person the Class Member represents, intending to be legally bound hereby, for good and valuable consideration, the receipt of which is hereby acknowledged, hereby absolutely, fully and forever releases, relieves, remises and discharges the Township, and each of its successors and assigns, present and former agents, elected and appointed officials, representatives, employees, insurers, affiliated entities, attorneys and administrators, of and from any and all manner of actions, causes of action, suits, debts, accounts, understandings, contracts, agreements, controversies, judgments, consequential damages, compensatory damages, punitive damages, claims, liabilities, and demands of any kind or nature whatsoever, known or unknown, which arise from the beginning of time through the date of this Final Order and Judgment concerning (a) the Township's calculation or assessment of Rates or Charges; (b) the components of costs included in the Rates; and (c) the Township's Water and Sewer Fund balance. This release is intended to include all claims that were asserted or could have been asserted in the

Lawsuit concerning the Township's Rates and/or Charges. In executing the Release and Covenant Not to Sue, each Class Member also covenants that: (a) except for actions or suits based upon breaches of the terms of this Agreement or to enforce rights provided for in this Agreement, he, she or it will refrain from commencing any action or suit, or prosecuting any pending action or suit, in law or in equity, against the Township on account of any action or cause of action released hereby; (b) none of the claims released under this Release and Covenant Not To Sue has been assigned to any other party; and (c) he, she or it accepts and assumes the risk that if any fact or circumstance is found, suspected, or claimed hereinafter to be other than or different from the facts or circumstances now believed to be true, the Release and Covenant Not To Sue shall be and remain effective notwithstanding any such difference in any such facts or circumstances. The foregoing shall not affect the claims of any Class Member whose individual water and sewer bills were calculated in error on the basis of facts or circumstances unique to such class member and not based on the claims that were or could have been asserted by the Class in the Lawsuit.

ATTORNEYS' FEES AND EXPENSES

27. Class Counsel shall be paid an award of attorneys' fees, costs, and expenses from the Settlement Fund. For purposes of an award of attorneys' fees and costs, the Settlement Fund shall be deemed to be a "common fund," as that term is used in the context of class action settlements. Class Counsel shall not make an application for any attorneys' fees and costs which are in addition to the "common fund" attorneys' fees and costs contemplated by this Agreement.

28. The amount of attorneys' fees, costs and expenses to be paid to Class Counsel shall be determined by the Court applying legal standards and principles applicable to awards of attorneys' fees and costs from common fund settlements in class action cases. Class Counsel agrees that it will not seek an award of attorneys' fees in excess of Thirty-Three Percent (33%) of the Settlement Fund, and the Township agrees that it will not oppose Class Counsel's fee request, provided it complies with this Agreement. The Parties agree that Class Counsel may seek Court approval of an incentive award on behalf of class representative Gary Mason in an amount not to exceed Ten Thousand Dollars (\$10,000) to be paid solely from the Settlement Fund.

29. The award of attorneys' fees, costs and expenses to be paid from the Settlement Fund to Class Counsel pursuant to Paragraph 31 does not include any out-of-pocket expenses incurred by Kickham Hanley PLLC acting in its capacity as Claims-Escrow Administrator. The Claims-Escrow Administrator shall make a separate application for such expenses.

30. The Court shall determine and approve the award of attorneys' fees and costs to Class Counsel, reimbursement of the expenses incurred by the Claims-Escrow Administrator, and any incentive award to Gary Mason in connection with the Final Approval hearing. The attorneys' fees, costs and expenses awarded to Class Counsel and the Claims-Escrow Administrator and any incentive award to Gary Mason shall be paid from the Settlement Fund upon the Settlement Date.

TERMINATION

31. If this 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 the Township cannot be accomplished; if the Court does not enter an Order of Preliminary Approval substantially in the form attached as Exhibit "A" within twenty-eight (28) days after its submission to the Court; if a final judgment on the terms set forth in Paragraph 25 is not entered within 120 days after the entry of the Order substantially in the form attached as Exhibit "D"; if the Settlement Date defined in Paragraph 5 does not occur prior to November 30, 2017; if the Court (or any appellate court) alters the terms of this Settlement in any material way not acceptable to the Township or to Class Counsel; or if this Agreement and Settlement otherwise is not fully consummated and effected:

a. This 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 the Township, the Named Plaintiff and the Class;

b. The Claims-Escrow Administrator shall immediately return to the Township the Settlement Fund;

c. The Parties shall return to the status quo ante in the Lawsuit as if the Parties had not entered into this Agreement, and all of the Parties' respective pre-Settlement claims and defenses will be preserved; and

d. Counsel for the Parties shall inform the Court that the pending Motion for Class certification and Motion for Partial Summary Disposition are ripe for disposition by the Court.

32. The Township and Class Counsel may, in their sole and exclusive discretion, elect to waive any or all of the terms, conditions or requirements stated in Paragraph 31. Such waiver must be memorialized in a writing signed by the Township and/or its Counsel and Class Counsel and delivered via certified mail to Class Counsel, or it will have no force or effect.

33. The Township may, in its sole and exclusive discretion, elect to extend any or all of the deadlines stated in Paragraph 31. Such extension must be memorialized in a writing signed by the Township and/or its Counsel and delivered via certified mail to Class Counsel, or it will have no force or effect.

34. In the event the Settlement is terminated in accordance with Paragraph 31, any discussions, offers, negotiations, or information exchanged in association with this Settlement shall not be discoverable or offered into evidence or used in the Lawsuit or any other action or proceeding for any purpose. In such event, all Parties to the Lawsuit shall stand in the same position as if this Agreement had not been negotiated, made or filed with the Court.

USE OF THIS AGREEMENT

35. Except to the extent required to enforce Paragraphs 15 through 17 and 19, this Agreement, the Class Period, the Settlement provided for herein (whether or not consummated), and any proceedings taken pursuant to this Agreement shall not be:

a. construed by anyone for any purpose whatsoever as, or deemed to be, evidence of a presumption, concession or an admission by the Township of the truth of any fact alleged or the validity of any claims, or of the deficiency or waiver of any defense that has or could have been asserted in the Lawsuit, or of any liability, fault or wrongdoing on the part of the Township; or

b. offered or received as evidence of a presumption, concession or an admission of any liability, fault, or wrongdoing, or referred to for any other reason by the Named Plaintiff, Class Members, or Class Counsel in the Lawsuit, or any other person or entity not a party to this Agreement in any other action or proceeding other than such proceedings as may be necessary to effectuate the provisions of this Agreement; or

c. construed by anyone for any purpose whatsoever as an admission or concession that the Settlement amount represents the amount which could be or would have been recovered after trial, or the applicable time frame for any purported amounts of recovery.

d. construed more strictly against one Party than the other, this Agreement having been prepared by Counsel for the Parties as a result of arms-length negotiations between the Parties.

WARRANTIES

36. Class Counsel further warrants that in its opinion the Settlement Fund represents fair consideration for and an adequate settlement of the claims of the Class released herein.

37. The undersigned have secured the consents of all persons necessary to authorize the execution of this Agreement and related documents and they are fully authorized to enter into and execute this Agreement on behalf of the Parties.

38. Class Counsel deems this Agreement to be fair and reasonable, and has arrived at this Agreement in arms-length negotiations taking into account all relevant factors, present or potential.

39. The Parties intend this Agreement to be a final and complete resolution of all disputes between them with respect to the claims arising in the Lawsuit.

40. The Parties have relied upon the advice and representation of counsel, selected by them, concerning their respective legal liability for the claims hereby released. The Parties have read and understand fully this Agreement, and have been fully advised as to the legal effect thereof by their respective Counsel and intend to be legally bound by the same.

BINDING EFFECT AND ENFORCEMENT

41. All covenants, terms, conditions and provisions of this Agreement shall be binding upon, inure to the benefit of, and be enforceable by the respective predecessors and successors, and past and present assigns, heirs, executors, administrators, legal representatives, trustees, subsidiaries, divisions, affiliates, parents (and subsidiaries thereof), partnerships and partners, and all of their officers, directors, agents, employees and attorneys, both past and present, of each of the Parties hereto. It is understood that the terms of this paragraph are contractual and not a mere recital.

42. This Agreement, with the attached Exhibits A through D, constitutes a single, integrated written contract and sets forth the entire understanding of the Parties. Any previous discussions, agreements, or understandings between or among the Parties regarding the subject matter herein are hereby merged into and superseded by this Agreement. No covenants, agreements, representations, or warranties of any kind whatsoever have been made by any Party hereto, except as provided for herein.

43. All of the Exhibits attached hereto are hereby incorporated by reference as though fully set forth herein.

44. This Agreement shall be construed and governed in accordance with the laws of the State of Michigan.

45. Before filing any motion in the Court raising a dispute arising out of or related to this Agreement, the Parties shall consult with each other and discuss submitting any disputes to non-binding mediation. The Parties shall also certify to the Court that they have consulted and either have been unable to resolve the dispute in mediation or are unwilling to submit the dispute to mediation and the reasons why.

46. The Court shall retain jurisdiction with respect to the implementation and enforcement of the terms of this Agreement, and the Parties shall submit to jurisdiction of the Court for purposes of implementing and enforcing the settlement reflected in this Agreement.

MODIFICATION AND EXECUTION

47. This Agreement may be executed in counterparts, all of which shall constitute a single, entire agreement.

48. Change or modification of this Agreement, or waiver of any of its provisions, shall be valid only if contained in a writing executed on behalf of all the Parties hereto by their duly authorized representatives.

49. This Agreement shall become effective and binding (subject to all terms and conditions herein) upon the Parties when it has been executed by the undersigned representatives of the Parties.

IN WITNESS WHEREOF, each of the Parties executes this Agreement through his, her or its duly authorized representatives.

KICKHAM HANLEY PLLC

In its capacity as Class Counsel and on behalf of
the Named Plaintiff in the Lawsuit and the Class

By: 

Gregory D. Hanley (P51204)

Attorneys for Plaintiffs

32121 Woodward Avenue, Suite 300

Royal Oak, MI 48073

(248) 544-1500

Dated: 5/22/17


GARY MASON

Dated: 5/23/17

CHARTER TOWNSHIP OF WATERFORD

By: Gary Wall

Its: SUPERVISOR

Dated: MAY 24, 2017

By: Sue M.

Its: Township Clerk

Dated: MAY 24, 2017

By: [Signature]

Gary L. Doyre (P27864)

Attorney for Defendant

Johnson, Rosati, Schultz & Joppich, P.C.

27555 Executive Drive, Suite 250

Farmington Hills, MI 48331

(248) 489-4100

Dated: May 24, 2017

EXHIBIT A

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)
Kickham Hanley PLLC
32121 Woodward Avenue, Suite 300
Royal Oak, MI 48073
(248) 544-1500
Attorneys for Plaintiff

Gary L. Dovre (P27864)
Johnson, Rosati, Schultz & Joppich, P.C.
27555 Executive Drive, Suite 250
Farmington Hills, MI 48331
(248) 489-4100

**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 _____
PRESENT: HON. _____
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: _____, 2017.

Honorable Nanci Grant
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

Gregory D. Hanley (P51204)
Jamie K. Warrow (P61521)
Edward F. Kickham Jr. (P70332)
Kickham Hanley PLLC
32121 Woodward Avenue, Suite 300
Royal Oak, MI 48073
(248) 544-1500
Attorneys for Plaintiff and the Class

/s/ Gary L. Dove

Gary L. Dove (P27864)
Johnson, Rosati, Schultz & Joppich, P.C.
27555 Executive Drive, Suite 250
Farmington Hills, MI 48331
(248) 489-4100
Attorney for Defendant

KH150706

Received for Filing Oakland County Clerk 5/26/2017 2:54 PM

EXHIBIT B

Unique Identifying Number _____

**LEGAL NOTICE
NOTICE OF CLASS ACTION**

**IN ORDER TO RECEIVE A REFUND AS PART OF THIS CLASS ACTION SETTLEMENT,
YOU ARE REQUIRED TO SUBMIT A WRITTEN CLAIM.**

**IF YOU PAID THE CHARTER TOWNSHIP OF WATERFORD FOR WATER AND
SANITARY SEWER SERVICE AT ANY TIME BETWEEN APRIL 11, 2010 AND MAY 31, 2017
AND WISH TO RECEIVE A CASH REFUND IF YOU QUALIFY FOR SUCH REFUND,
YOU MUST SUBMIT THE ATTACHED CLAIM FORM ON OR BEFORE AUGUST 14, 2017
AND MAIL IT TO _____ OR EMAIL THE COMPLETED FORM TO _____.**

PLEASE RETAIN THIS NOTICE

STATE OF MICHIGAN
OAKLAND COUNTY CIRCUIT COURT

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

Plaintiff,

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

v.

CHARTER TOWNSHIP OF WATERFORD,
a municipal corporation,

Defendant.

Gregory D. Hanley (P51204)
Jamie K. Warrow (P61521)
Edward F. Kickham Jr. (P70332)
Kickham Hanley PLLC
32121 Woodward Avenue, Suite 300
Royal Oak, MI 48073
(248) 544-1500
Attorneys for Plaintiff

Gary L. Dovre (P27864)
Johnson, Rosati, Schultz & Joppich, P.C.
27555 Executive Drive, Suite 250
Farmington Hills, MI 48331
(248) 489-4100

TO: All persons and entities which have paid the Charter Township of Waterford (the "Township") for water and sanitary sewage disposal services at any time between April 11, 2010 and May 31, 2017

You are hereby notified that a proposed settlement in the amount of \$1,400,000.00 has been reached with the Township in a class action lawsuit pending in Oakland County Circuit Court titled *Mason v. Charter Township of Waterford*, Case No. 2016-152441-CZ, presiding Judge Nanci Grant, ("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.

Plaintiff is an individual who is a water and sanitary sewer customer and who has paid the Charges imposed by the Township. Plaintiff contends that the inclusion of such Charges in the Township's water and sewer rates ("Rates") are motivated by a revenue-raising and not a regulatory purpose, that they are disproportionate to the Township's actual costs of providing water and sewer services, and that (1) the Charges are therefore unlawful under the Headlee Amendment to the Michigan Constitution and (2) the Township is liable for a refund of the Charges under a theory of assumpsit.

The Plaintiff seeks a judgment from the court against the Township that would order and direct the Township to refund all Charges to which Plaintiff and the class are entitled and any other appropriate relief.

The Township denies that the Charges are improper and therefore, denies the Plaintiff's claims and contends that the Township should prevail in the Lawsuit.

You are receiving this Notice because the Township's records indicate that you paid for water and/or sanitary sewage disposal services between April 11, 2010 and May 31, 2017 and are therefore a member of the Class, that has been agreed to by Plaintiff and the Township and certified by the Court for settlement purposes, as all persons or entities who/which paid the Township for water and sewer service between April 11, 2010 and May 31, 2017 (the "Class"). This Agreement is intended to settle all of the claims of the Class.

The Plaintiff and Township have agreed to, and the Court has granted preliminary approval of, a written Settlement Agreement, the principal terms of which are as follows:

For the purposes of the proposed Settlement, the Township expressly denies any and all allegations that it acted improperly, but, to avoid litigation uncertainty, risks, and costs, the Township has agreed to create a Settlement Fund in the aggregate amount of One Million Four Hundred Thousand Dollars (\$1,400,000) for the benefit of the Class ("Settlement Amount"). The "Net Settlement Fund" is the Settlement Amount less the combined total of: (a) the attorneys' fees awarded to Class Counsel by the Court, not to exceed 33% of the Settlement Amount; (b) Class Counsel's expenses incurred in the litigation before the Settlement; (c) out-of-pocket expenses of the Claims-Escrow Administrator for the

Settlement Fund; and (d) any incentive award made by the Court to the Plaintiff class representative in an amount not to exceed \$10,000.

The Net Settlement Fund shall be distributed to or for Class Members by cash payments or credits on the accounts for which payments were made as described below.

Payments. All Class Members may participate in the settlement of this case by receiving from the Net Settlement Fund a cash distribution payment, which is the only form of distribution to Class Members that are no longer on the water or sewer account for which payments were made. To qualify to receive a distribution of cash via check (a "Payment") from the Net Settlement Fund, Class Members will be required to submit timely sworn claims (the "Claims") which identify their names, addresses, and the periods of time in which they paid the Charges. Class Members who submit Claims will hereafter be referred to as the "Claiming Class Members." The Claiming Class Members will be required to submit those claims no later than August 14, 2017. The Claiming Class Members also will be required to provide a unique identifying number printed on the Class notice, as an additional verification of their identity. A claim form is enclosed with this Notice.

The Claims-Escrow Administrator shall calculate each Claiming Class Member's pro rata share of the Net Settlement Fund (the "Pro Rata Share"). Only those Class Members who paid for water and/or sewer service during the Class Period and submit a timely Claim are entitled to a cash payment distribution of a Pro Rata Share of the Net Settlement Fund. The size of each Claiming Class Member's Pro Rata Share shall be determined by (1) calculating the total amount of Charges the Claiming Class Member paid during the Class Period and then (2) dividing that number by the total amount of Charges the Township collected during the Class Period and then (3) multiplying that fraction by the amount of the Net Settlement Fund.

Credits. The Pro Rata Shares of the Net Settlement Fund for Class Members that do not submit a timely claim will be used to fund and provide a Credit on each water and/or sewer service account for which there was no Claiming Class Member in the amount of those Class Members' Pro Rata Shares, with any such credits to attach to the account associated with the Charges and be applied by the Township to billings on the account until those billings exceed the amount of the Credit.

The size of each non-Claiming Class Member's Pro Rata Share shall be determined by account and service address by (1) calculating the total amount paid for water and sewer service (excluding interest and penalty amounts) by all non-claiming Class Members associated with each account and service address during the Class Period, (regardless of how many different non-claiming Class Members paid for water and sewer service with respect to that account and service address during the applicable class period) and then (2) dividing that number by the total amount of water and sewer billings the Township collected during the

Class Period and then (3) multiplying that fraction by the amount of the Net Settlement Fund. With respect to accounts and service addresses for which there are both Claiming Class Members and non-claiming Class Members, the Pro Rata Shares shall be calculated as stated above after determining how much of the total amount was paid by each type of Class Member.

Prospective Relief. In addition to the distribution of the Net Settlement Fund by payments and credits as described above, the Settlement provides that the Township will shall utilize its current methodology for setting water and sewer rates charged by the Township through December 31, 2017 (the "FY 2017 Period"), and that during the period from January 1, 2018, through December 31, 2024 (the "Prospective Relief Period"), the Township's water and sewer rates may include as a component the reasonable value of services provided by General Fund departments to the Township's water and sewer function (the "Administrative Fee"), provided the Township complies with the methodology of cost allocation utilized by Maximus in its October 2016 Report to the Township, takes into account the reasonable value of services provided by the Township's Water and Sewer Fund to the General Fund, and credits the Water and Sewer Fund its share of any MMRMA refunds received by the Township in proportion to the amount of the Township's payments to MMRMA paid or funded by the Water and Sewer Fund during the year in which an MMRMA refund is received.. During the Prospective Relief Period the Township retains its discretion to adjust the water and sewer rates as necessary for specified purposes and provided the Township utilizes a recognized rate setting method in any such adjustments.

The Township may not levy a tax or other assessment against property owners or water or sewer customers to finance, in whole or in part, the Settlement Fund (unless such tax or assessment receives voter approval), nor may the Township increase its water and sewer rates to finance, in whole or in part, the Settlement Fund.

Releases. The Settlement provides that Class Members that have not timely been excluded from the Class will be deemed to have released and agreed not to sue the Township for claims that were or could have been asserted in the Lawsuit as of the date the Court enters its Final Order and Judgment. Specifically, each member of the Class who has not timely requested exclusion therefrom shall be deemed to have individually executed, on behalf of the Class Member and his or her heirs, successors and assigns, if any, the following Release and Covenant Not to Sue:

In executing the Release and Covenant Not To Sue, each Class Member, on behalf of himself, herself or itself, and his, her or its parents, subsidiaries, affiliates, members, shareholders, predecessors, heirs, administrators, officers, directors, successors, assigns, and any person the Class Member represents, intending to be legally bound hereby, for good and valuable consideration, the receipt of which is hereby acknowledged, hereby absolutely, fully and forever releases, relieves, remises and discharges the Township, and each of its successors and assigns, present and former agents, elected and appointed officials, representatives, employees, insurers, affiliated entities, attorneys and administrators, of and

from any and all manner of actions, causes of action, suits, debts, accounts, understandings, contracts, agreements, controversies, judgments, consequential damages, compensatory damages, punitive damages, claims, liabilities, and demands of any kind or nature whatsoever, known or unknown, which arise from the beginning of time through the date of this Final Order and Judgment concerning (a) the Township's calculation or assessment of Rates or Charges; (b) the components of costs included in the Rates; and (c) the Township's Water and Sewer Fund balance. This release is intended to include all claims that were asserted or could have been asserted in the Lawsuit concerning the Township's Rates and/or Charges. In executing the Release and Covenant Not to Sue, each Class Member also covenants that: (a) except for actions or suits based upon breaches of the terms of this Agreement or to enforce rights provided for in this Agreement, he, she or it will refrain from commencing any action or suit, or prosecuting any pending action or suit, in law or in equity, against the Township on account of any action or cause of action released hereby; (b) none of the claims released under this Release and Covenant Not To Sue has been assigned to any other party; and (c) he, she or it accepts and assumes the risk that if any fact or circumstance is found, suspected, or claimed hereinafter to be other than or different from the facts or circumstances now believed to be true, the Release and Covenant Not To Sue shall be and remain effective notwithstanding any such difference in any such facts or circumstances. The foregoing shall not affect the claims of any Class Member whose individual water and sewer bills were calculated in error on the basis of facts or circumstances unique to such class member and not based on the claims that were or could have been asserted by the Class in the Lawsuit.

In addition, if the Township complies with the prospective relief described above for the duration of the FY 2017 Period and the Prospective Relief Period, Class Members who do not timely request exclusion from the Class shall be deemed to have released and waived any and all claims that could be brought which (a) arise during the FY 2017 Period challenging the inclusion of the Administrative Fee and the Public Fire Protection Charge in the Rates for the FY 2017 Period (the "FY 2017 Period Claims") and (b) arise during the Prospective Relief Period challenging the inclusion of the Administrative Fee and the Public Fire Protection Charge in the Township's Rates during the Prospective Relief Period (the "Prospective Relief Period Claims").

Class Membership and Exclusion. Class Members who wish to exclude themselves from the Settlement may write to the Administrator, stating that they do not wish to participate in the Settlement and that they wish to retain their right to file an action against the Township. This proposed Settlement should not be interpreted, in any way, as suggesting that the claims alleged against the Township have legal or factual merit. The Township has challenged the validity of Plaintiff's claims and many of the substantive legal and factual issues have not been resolved. **This request for exclusion must be postmarked no later than August 9, 2017 and mailed to: Kickham Hanley PLLC, 32121 Woodward Avenue, Suite 300, Royal Oak, Michigan 48073.**

By remaining a Class Member, you will be bound by the terms of the proposed settlement and will be barred from bringing a separate action against the Township for the claims asserted in the Lawsuit at your own expense through your own attorney. You will, however, receive your pro rata share of the Net

Settlement Fund if submit a timely claim and you do not request exclusion from the Class. If you were to successfully pursue such a separate action to conclusion, recovery might be available to you which is not available in this class action settlement. Whether to remain a member of this class or to request exclusion from this class action to attempt to pursue a separate action at your own expense without the assistance of the Township in this Action is a question you should ask your own attorney. Class Counsel cannot and will not advise you on this issue.

Settlement Hearing. Pursuant to the Order of the Court dated _____, 2017, a Settlement Hearing will be held in the Oakland County Circuit Court, 1200 Telegraph Road, Pontiac, Michigan 48341 at 8:30 a.m., on _____, to determine whether the proposed Settlement as set forth in the Settlement Agreement dated May ___, 2017, is fair, reasonable, and adequate and should be approved by the Court, whether the Lawsuit should be dismissed pursuant to the Settlement and whether counsel for Plaintiff Class should be awarded counsel fees and expenses. At the Settlement Hearing, any member of the Class may appear in person or through counsel and be heard to the extent allowed by the Court in support of, or in opposition to, the fairness, reasonableness and adequacy of the proposed Settlement. However, no Class member will be heard in opposition to the proposed Settlement and no papers or briefs submitted by any such Class member will be accepted or considered by the Court unless on or before August 9, 2017, such Class member (i) files with the Clerk of the Court notice of that person's intention to appear, proof of class membership, written objections that indicate the basis for such opposition and the other information required by Paragraph 23b of the Settlement Agreement, and any supporting papers and briefs; and (ii) serves by first class mail copies thereof upon each of the following attorneys:

Attorneys for Plaintiff

Gregory D. Hanley, Esq.
Kickham Hanley PLLC
32121 Woodward Avenue
Royal Oak, Michigan 48073

Attorneys for Defendants

Gary L. Dovre, Esq.
Johnson, Rosati, Schultz & Joppich, P.C.
27555 Executive Drive, Suite 250
Farmington Hills, MI 48331

Any Class member who does not make and serve written objections in the manner provided above shall be deemed to have waived such objections and shall be forever foreclosed from making any objections (by appeal or otherwise) to the proposed Settlement.

**AGAIN, IN ORDER TO RECEIVE A REFUND AS PART OF THIS CLASS ACTION
SETTLEMENT, YOU ARE REQUIRED TO SUBMIT A WRITTEN CLAIM.**

IF YOU PAID THE CHARTER TOWNSHIP OF WATERFORD FOR WATER AND SEWER SERVICE AT ANY TIME BETWEEN APRIL 11, 2010 AND MAY 31, 2017 AND WISH TO RECEIVE A CASH REFUND IF YOU QUALIFY FOR SUCH REFUND, YOU MUST SUBMIT THE ATTACHED CLAIM FORM ON OR BEFORE AUGUST 9, 2017 AND MAIL IT TO _____ OR EMAIL THE COMPLETED FORM TO _____.

For a more detailed statement of the matters involved in the Lawsuit, including the terms of the proposed Settlement, you are referred to papers on file in the Lawsuit, which may be inspected during regular business hours at the Office of the Clerk of Circuit Court for Oakland County, Michigan. You may also view the Settlement Agreement and other important court documents at www.kickhamhanley.com.

Should you have any questions with respect to this Notice of the proposed settlement of the Lawsuit generally, you should raise them with your own attorney or direct them to counsel for the Class, IN WRITING OR BY EMAIL TO KHTEMP@KICKHAMHANLEY.COM, NOT BY TELEPHONE, identified as Attorneys for Plaintiffs, above. **DO NOT CONTACT THE COURT, THE CLERK OF THE COURT, THE DEFENDANT OR THE ATTORNEYS FOR DEFENDANT.**

KH150705

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EXHIBIT C

**ATTENTION: CURRENT AND FORMER
WATERFORD TOWNSHIP RESIDENTS AND PROPERTY OWNERS:
IMPORTANT NOTICE OF CLASS ACTION SETTLEMENT**

YOU HAVE A LIMITED TIME TO SUBMIT A CLAIM TO OBTAIN A REFUND.

CLAIM FORMS MAY BE OBTAINED AT WWW.KICKHAMHANLEY.COM

SEE THE INFORMATION BELOW:

TO: All persons and entities which have paid the Charter Township of Waterford (the "Township") for water and sanitary sewage disposal services at any time between April 11, 2010 and May 31, 2017

You are hereby notified that a proposed settlement in the amount of \$1,400,000 has been reached with the Township in a class action lawsuit pending in Oakland County Circuit Court titled *Mason v. Charter Township of Waterford*, Case No. 16-152441-CZ, presiding Judge Nanci Grant, ("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.

Plaintiff is an individual who is a water and sanitary sewer customer and who has paid the Charges imposed by the Township. Plaintiff contends that the inclusion of such Charges in the Township's water and sewer rates ("Rates") are motivated by a revenue-raising and not a regulatory purpose, that they are disproportionate to the Township's actual costs of providing water and sewer services, and that (1) the Charges are therefore unlawful under the Headlee Amendment to the Michigan Constitution and (2) the Township is liable for a refund of the Charges under a theory of assumpsit.

The Plaintiff seeks a judgment from the court against the Township that would order and direct the Township to refund all Charges to which plaintiff and the class are entitled and any other appropriate relief. The Township denies that the Charges are improper and therefore, denies the Plaintiff's claims and contends that it should prevail in the Lawsuit.

This Notice is for persons and entities that paid the Township for water and/or sanitary sewage disposal services between April 11, 2010, and May 31, 2017, who are members of a Class that has been agreed to by Plaintiff and the Township and certified by the Court for settlement purposes, as all persons

or entities who/which paid the Township for water and sewer service between April 11, 2010 and May 31, 2017 (the "Class"). This Agreement is intended to settle all of the claims of the Class.

The Plaintiff and Township have agreed to, and the Court has granted preliminary approval of, a written Settlement Agreement, in which the Township expressly denies any and all allegations that it acted improperly, but, to avoid litigation uncertainty, risks, and costs, has agreed to create a Settlement Fund in the aggregate amount of One Million Four Hundred Thousand Dollars **(\$1,400,000)** for the benefit of the Class ("Settlement Amount"). The Settlement Agreement provides for distribution of the Settlement Amount that remains after payment of: (a) the attorneys' fees awarded to Class Counsel by the Court, not to exceed 33% of the Settlement Amount; (b) Class Counsel's expenses incurred in the litigation before the Settlement; (c) out-of-pocket expenses of the Claims-Escrow Administrator for the Settlement Fund; and (d) any incentive award made by the Court to the Plaintiff class representative in an amount not to exceed \$10,000. That Net Settlement Fund shall be distributed to or for Class Members of Pro Rata Shares by cash payments or credits on the accounts for which payments were made.

To qualify to receive a cash payment of a Pro Rata Share from the Net Settlement Fund, which is the only form of distribution to Class Members that are no longer on the water or sewer account for which payments were made, Class Members are required to submit sworn claims (the "Claims") which identify their names, addresses, and the periods of time in which they paid the Charges in order to participate in the Settlement. Claims must be submitted no later than August 9, 2017. which is the only form of distribution to Class Members that are no longer on the water or sewer account for which payments were made. The Pro Rata Shares of Class Members that do not submit a timely claim will be used to fund and provide a Credit to be applied to future billings on each water and/or sewer service account for which there was no Claiming Class Member in the amount of those Class Members' Pro Rata Shares.

For a more detailed statement of the matters involved in the Lawsuit, including the terms of the proposed Settlement, the process for submitting a Claim, your right to exclude yourself from the Settlement, and your right to object to the proposed Settlement, you are referred to papers on file in the Lawsuit, which may be inspected during regular business hours at the Office of the Clerk of Circuit Court for Oakland County, Michigan. You may also view the Settlement Agreement and other important court documents, and obtain the necessary claim form at www.kickhamhanley.com.

Should you have any questions about this Notice you should raise them with your own attorney or direct them to counsel for the Class, IN WRITING OR BY EMAIL, NOT BY TELEPHONE, identified below as Attorneys for Plaintiff and the Class. **DO NOT CONTACT THE COURT, CLERK OF THE COURT, OR ATTORNEYS FOR DEFENDANT.**

Attorneys for Plaintiff and the Class:

Gregory D. Hanley (P70332)
Jamie Warrow (P61521)
Edward F. Kickham Jr. (P70332)
Kickham Hanley PLLC
32121 Woodward Avenue
Royal Oak, Michigan 48073

**AGAIN, IN ORDER TO RECEIVE A REFUND AS PART OF THIS CLASS ACTION
SETTLEMENT, YOU ARE REQUIRED TO SUBMIT A WRITTEN CLAIM BY AUGUST 9,
2017. THE CLAIM FORM IS AVAILABLE AT WWW.KICKHAMHANLEY.COM**

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EXHIBIT D

STATE OF MICHIGAN
OAKLAND COUNTY CIRCUIT COURT

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

Plaintiff,

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

v.

CHARTER TOWNSHIP OF WATERFORD,
a municipal corporation,

Defendant.

Gregory D. Hanley (P51204)
Jamie K. Warrow (P61521)
Edward F. Kickham Jr. (P70332)
Kickham Hanley PLLC
32121 Woodward Avenue, Suite 300
Royal Oak, MI 48073
(248) 544-1500
Attorneys for Plaintiff

Gary L. Dovre (P27864)
Johnson, Rosati, Schultz & Joppich, P.C.
27555 Executive Drive, Suite 250
Farmington Hills, MI 48331
(248) 489-4100

FINAL JUDGMENT AND ORDER APPROVING CLASS SETTLEMENT

At a session of said Court held in the
City of Pontiac, County of Oakland
State of Michigan on _____
PRESENT: HON. _____
Circuit Court Judge

WHEREAS, Plaintiff and Defendant in this action have moved this Court pursuant to MCR 3.501(E), for an order approving the settlement of this class action in accordance with the terms set forth in the attached Class Action Settlement Agreement ("Agreement") executed by the parties and their counsel, and

WHEREAS, this Court having held a hearing, as noticed, on _____, 2017 pursuant to the Order Regarding Preliminary Approval of Settlement, Notice and Scheduling, dated May ____,

2017 (the "Order"), to determine the fairness, adequacy and reasonableness of a proposed settlement of the Class Action; and due and adequate notice (the "Notice") having been made by mailing and newspaper publication in a manner consistent with Paragraphs 4 and 6 of the Order; and all such persons (excluding those who previously requested exclusion from the applicable Class) having been given an opportunity to object to or participate in the settlement; and the Court having heard and considered the matter, including all papers filed in connection therewith and the oral presentations of counsel at said hearing; and good cause appearing therefor,

WHEREAS, Defendant has funded the settlement by providing a check in the amount of One Million Four Hundred Thousand Dollars (\$1,400,000), which has been deposited into and remains in the Kickham Hanley PLLC Client Trust Account pending this Court's final approval of the settlement, and which will be disbursed in accordance with the Agreement,

For the reasons stated on the record, IT IS HEREBY FOUND, ORDERED, ADJUDGED AND DECREED AS FOLLOWS:

1. The terms of the Agreement are fair, reasonable and adequate and in the best interests of the members of the Class and are hereby approved.

2. Plaintiff and Defendant are hereby ordered and directed to perform and consummate the settlement set forth in the Agreement in accordance with the terms and conditions of the Agreement.

3. The notification to the Class members regarding the Settlement was the best notice practicable under the circumstances and is in compliance with MCR 3.501(E) and the requirements of due process of law.

4. This Lawsuit is hereby dismissed with prejudice, and without costs to any party except as provided for in the Agreement. Insofar as this Final Judgment dismisses the Class claims

relating to the Charges (as that term is defined in the Agreement), this portion of this Final Judgment is a judgment on the merits.

5. Kickham Hanley PLLC, counsel for the Class, is hereby awarded attorneys' fees and costs in the amount of \$_____, to be paid as set forth in the Agreement. Plaintiff Gary Mason is granted an incentive award of \$_____, to be paid as set forth in the Agreement.

6. Without any further action by anyone, Plaintiffs and all members of the Class as certified by the Order dated _____, 2017, who previously did not submit a timely and valid Request for Exclusion are deemed to have executed the following Release and Covenant not to Sue which is hereby approved by the Court:

In executing the Release and Covenant Not To Sue, each Class Member, on behalf of himself, herself or itself, and his, her or its parents, subsidiaries, affiliates, members, shareholders, predecessors, heirs, administrators, officers, directors, successors, assigns, and any person the Class Member represents, intending to be legally bound hereby, for good and valuable consideration, the receipt of which is hereby acknowledged, hereby absolutely, fully and forever releases, relieves, remises and discharges the Township, and each of its successors and assigns, present and former agents, elected and appointed officials, representatives, employees, insurers, affiliated entities, attorneys and administrators, of and from any and all manner of actions, causes of action, suits, debts, accounts, understandings, contracts, agreements, controversies, judgments, consequential damages, compensatory damages, punitive damages, claims, liabilities, and demands of any kind or nature whatsoever, known or unknown, which arise from the beginning of time through the date of this Final Order and Judgment concerning (a) the Township's calculation or assessment of Rates or Charges; (b) the components of costs included in the Rates; and (c) the Township's Water and Sewer Fund balance. This release is intended to include all claims that were asserted or could have been asserted in the Lawsuit concerning the Township's Rates and/or Charges. In executing the Release and Covenant Not to Sue, each Class Member also covenants that: (a) except for actions or suits based upon breaches of the terms of this Agreement or to enforce rights provided for in this Agreement, he, she or it will refrain from commencing any action or suit, or prosecuting any pending action or suit, in law or in equity, against the Township on account of any action or cause of action released hereby; (b) none of the claims released under this Release and Covenant Not To Sue has been assigned to any other party; and (c) he, she or it accepts and assumes the risk that if any fact or circumstance is found, suspected, or claimed hereinafter to be other than or different

from the facts or circumstances now believed to be true, the Release and Covenant Not To Sue shall be and remain effective notwithstanding any such difference in any such facts or circumstances. The foregoing shall not affect the claims of any Class Member whose individual water and sewer bills were calculated in error on the basis of facts or circumstances unique to such class member and not based on the claims that were or could have been asserted by the Class in the Lawsuit.

8. If the Defendant complies with the prospective relief described in the Agreement for the duration of the Prospective Relief Period as defined in the Agreement, the Class Members who did not request timely exclusion from the Class shall be deemed to have released and waived any and all claims which arise during the FY 2017 (the date of the Agreement through December 31, 2017) and Prospective Relief Periods that could be brought challenging the inclusion of the Administrative Fee and the Public Fire Protection Charge in the Defendant's Rates.

9. This Court retains continuing jurisdiction to effectuate the provisions of the Agreement and the terms of this Order.

Dated: _____, 2017.

Honorable Nanci Grant
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
Gregory D. Hanley (P51204)
Jamie K. Warrow (P61521)
Edward F. Kickham Jr. (P70332)
Kickham Hanley PLLC
32121 Woodward Avenue, Suite 300
Royal Oak, MI 48073
(248) 544-1500
Attorneys for Plaintiff and the Class

/s/ Gary L. Dovre
Gary L. Dovre (P27864)
Johnson, Rosati, Schultz & Joppich, P.C.
27555 Executive Drive, Suite 250
Farmington Hills, MI 48331
(248) 489-4100
Attorney for Defendant

KH150703