

CLASS ACTION SETTLEMENT AGREEMENT AND RELEASE

Plaintiffs Bayfront, LLC and MJH Properties, LLC, as class representatives, and Short Elliott Hendrickson, Inc.; XL Insurance Company; Reuben Johnson & Son, Inc.; RJS Construction Group, LLC; Charter Oak Fire Insurance Company; and the City of Ashland, Wisconsin, stipulate and agree, pursuant to the terms and conditions set forth in this Class Action Settlement Agreement and Release, to settle, dismiss, and compromise fully and finally the claims asserted against Defendants for problems associated with certain connections between sanitary sewer lateral pipes and the sanitary sewer main located along and under Highway 2 within the limits of the City of Ashland, Wisconsin.

DEFINED TERMS

As used in this Agreement, the following capitalized terms shall have the meanings set forth below.

1. “Abandoned Property” shall mean any property that had a structure with a sanitary sewer lateral connected by an Eccentric Coupling, where that structure has been removed or demolished.
2. “Action” shall mean the case pending in Ashland County Circuit Court entitled *Bayfront, LLC and MJH Properties, LLC v. Short Elliott Hendrickson, Inc. et al.*, File No. 10-CV-041, filed March 10, 2010.
3. “Agreement” shall mean this Class Action Settlement Agreement and Release, including the exhibits attached hereto.
4. “Charter Oak” shall mean (i) Charter Oak Fire Insurance Company, Travelers Casualty and Surety Company (f/k/a The Aetna Casualty and Surety Company),

St. Paul Fire and Marine Insurance Company, United States Fidelity and Guaranty Company and The Travelers Indemnity Company; (ii) each of their respective present and future, direct and indirect parents, subsidiaries, partners, joint ventures and affiliates; (iii) the past, direct and indirect parents, subsidiaries, partners, joint ventures and affiliates of any of the foregoing, but only if an entity described in (i) or (ii) above has the power or authority to act on such Person's behalf; (iv) the past, present and future officers, directors, employees, representatives, agents, members, principals, attorneys and shareholders of any of the foregoing, but only in their capacity as such; and (v) the predecessors, successors and assigns of any of the foregoing.

5. "CIPP" shall mean cast-in-place-pipe.
6. "City of Ashland" shall mean the City of Ashland, Wisconsin, and its elected officials, officers, directors, insurers, employees and attorneys.
7. "Claimant" shall mean a Settlement Class Member (including Class Representatives) tendering a Claims Form under the terms of this Agreement.
8. "Claims Deadline" shall mean the definitive date set in paragraph 58 of this Agreement.
9. "Claims Form" shall mean the form described in paragraph 53, and attached as **Exhibit C**, as approved by the Court.
10. "Claims Period" shall mean the period of time for Settlement Class Members to file claims as described in paragraph 58.

11. “Claims Process” shall mean the process contemplated in paragraphs 52 through 57.
12. “Class Counsel” shall mean the law firms of Thibodeau, Johnson & Feriancek, PLLP, and Larson King, LLP.
13. “Class Representatives” and “Plaintiffs” shall mean Bayfront, LLC and MJH Properties, LLC.
14. “Complaint” means the formal legal pleadings filed by Plaintiffs in Ashland County Circuit Court in the case of *Bayfront, LLC and MJH Properties, LLC v. Short Elliott Hendrickson, Inc. et al.*, File No. 10-CV-041.
15. “Connection” and “Eccentric Coupling” shall mean the pipe coupling installed as part of the Project to connect six-inch diameter sanitary sewer lateral pipes to the four-inch wye connecting to the sanitary sewer main.
16. “Court” shall mean the Ashland County Circuit Court, in which *Bayfront, LLC and MJH Properties, LLC v. Short Elliott Hendrickson, et al.*, File No. 10-CV-041, is pending.
17. “Defendants” shall mean Short Elliott Hendrickson, Inc.; XL Insurance Company; Reuben Johnson & Son, Inc.; RJS Construction Group, LLC; Charter Oak Fire Insurance Company; and the City of Ashland, Wisconsin.
18. “DSPS” shall mean the Wisconsin Department of Safety and Professional Services, which was formerly the Wisconsin Department of Commerce.
19. “Effective Date” shall have the meaning in paragraph 85.

20. “Excluded Persons” shall have the meaning in paragraph 47.
21. “Final Fairness Hearing” shall mean the hearing conducted by the Court in connection with the determination of the fairness, adequacy, and reasonableness of this Agreement.
22. “Final Order and Judgment” shall mean the final Order and Judgment of the Court approving the settlement provided for in this Agreement, and attached as **Exhibit G**, as modified or approved by the Court.
23. “Notice Plan” shall have the meaning ascribed to it in paragraphs 62 through 65.
24. “Objection Deadline” shall mean the date set by the Court for all Settlement Class Members and any Person desiring to object or be heard at the Final Fairness Hearing to deliver written notices in the form prescribed by the Court to Class Counsel and Counsel for Defendants, except Charter Oak, of his, her, or its intent to object.
25. “Person” shall mean any individual or entity, public or private. For greater certainty, and without limiting the generality of the foregoing, a public entity shall include the Government of the United States, and any State or local government.
26. “Preliminary Approval Order” shall mean the document described in paragraph 60 and that is attached as **Exhibit D**, as modified and approved by the Court.
27. “Project” shall mean Wisconsin Department of Transportation Project 1180-40-71, STP 2008(138), Ashland, Lake Shore Drive Beaser Ave. – Stuntz Ave. USH 2, Ashland County.

28. “Properties At Issue” shall mean those properties located along Highway 2 within the limits of the City of Ashland that the Settling Parties, except Charter Oak, will identify through inspections as having buildings, homes, residences, or any other structures whose sanitary sewer lateral is connected to the sanitary sewer by means of a Connection.
29. “RJS” shall mean Reuben Johnson & Son, Inc.; RJS Construction Group, LLC; and its predecessors, successors, parent and sibling companies, and its respective officers, directors, insurers, employees and attorneys.
30. “Released Parties” shall mean Defendants and each of their administrators, insurers, reinsurers, agents, firms, parent companies/corporations, sister companies/corporations, subsidiaries and affiliates, predecessors, successors, assigns and present and former officers, directors, shareholders, employees, agents, attorneys, and representatives.
31. “SEH” shall mean Short Elliott Hendrickson, Inc., and its predecessors, successors, parent and sibling companies, and its respective officers, directors, insurers, employees and attorneys.
32. “Settlement Class” shall mean the members of the settlement class defined as:
- All persons or entities that own or have owned property or buildings, homes, residences, or other structures located along Highway 2 within the limits of the City of Ashland whose sanitary sewer lateral connects to the sanitary sewer main by means of a Connection and their respective current and former agents, representatives, partners, principals, directors, attorneys, employers, employees, insurers, predecessors, heirs, successors and assigns.

33. “Settlement Class Members” shall mean all Court-approved members of the Settlement Class except Excluded Persons.
34. “Settlement Notice” shall mean the notice described in paragraph 62 and attached as **Exhibit E**.
35. “Settling Parties” shall mean the Settlement Class Members and Short Elliott Hendrickson, Inc.; XL Insurance Company; Reuben Johnson & Son, Inc.; RJS Construction Group, LLC; Charter Oak Fire Insurance Company; and the City of Ashland.
36. “Special Master” shall mean Judge David Sullivan (ret.), who was appointed by Order of the Court dated February 11, 2013, and subsequent Orders.
37. “XL” shall mean XL Insurance Company and its predecessors, successors, parent and sibling companies, and its respective officers, directors, insurers, employees and attorneys.

SUMMARY OF LITIGATION

38. This lawsuit is about whether SEH, RJS, and the City improperly installed, or improperly allowed or directed to be installed, 4-inch diameter pipes in between 6-inch diameter, lateral sewer connections and the main sewer line that lead to various commercial and residential properties on Lake Shore Drive. There are estimated to be at least forty-seven (47) sewer connections that were improperly installed in this manner along the 1.32 miles of Lake Shore Drive during the 2008 U.S. Highway 2 resurfacing and reconstruction project. The Plaintiffs, Bayfront,

LLC and MJH Properties, LLC, own multiple properties along Lake Shore Drive. The Plaintiffs allege that the installation described above resulted in sewage that now flows from a larger sewage pipe into a newly installed smaller sewage pipe and resulted in a citation issued by the DSPS against RJS. The Plaintiffs further allege that the RJS, SEH, and the City knew that these improper sewage connections violated construction specifications and the Wisconsin Plumbing Code, and would likely cause damage and pose health and serious safety risks to unsuspecting Lake Shore Drive property owners. Each of Defendants denies any wrongdoing. At this time, the Court has not decided whether Plaintiffs or any of Defendants are correct. The Court has, however, decided that this case should proceed as a class action.

39. Class Counsel have conducted a thorough investigation of the facts and law relating to the matters set forth in the pleadings and have retained the experts as necessary. Without conceding any lack of merit of any of their claims, Plaintiffs and Class Counsel have concluded that it is in the best interests of the class to settle these actions.
40. The Settling Parties disagree about the rights, obligations, benefits, and detriments that each of them has or may have as set forth in the claims brought in the Action.
41. The Settling Parties have engaged in extensive, difficult, complex and arm's length negotiations regarding the settlement of claims involving the Connections. There was no certainty or assurance of a settlement. The settlement was finally achieved

after several in-person mediation sessions and numerous conferences before the Special Master.

42. Defendants deny any fault, wrongdoing, illegal conduct, or liability whatsoever on their part, and have asserted numerous affirmative defenses to the facts and causes of action alleged in the Action. Defendants also deny any and all allegations of fault, wrongdoing, or liability made by any of the Plaintiffs or other Settling Parties in this Action or any other actions against them relating to the Connections. Defendants rely on the provisions of this Agreement that the settlement embodied herein shall not be construed as or deemed to be evidence of an admission or a concession on the part of Defendants of any fault, wrongdoing, illegal conduct or liability whatsoever or that any of the allegations in the Complaint in the Action are true. Without conceding any infirmity in their defenses, Defendants consider it desirable to enter into this Agreement to avoid further expense, to dispose of burdensome and protracted litigation, and to avoid the uncertain outcome of proceeding with the Action.
43. Defendants have concluded that it is in their best interest to settle the differences, disagreements, and suits on the terms and conditions set forth below, and in so doing, do not admit, concede, or imply that they have done anything wrong or legally actionable, or that the allegations of deficiencies in the Connections have merit.

44. The Settling Parties desire and intend by this Agreement to settle finally and completely, and effectuate a final resolution of, all claims of all Settlement Class Members whether asserted or not in the Action, and to provide for a complete full and final release in favor of the Released Parties.

45. **NOW, THEREFORE**, it is hereby agreed and stipulated by and between the Class Representatives, on behalf of themselves and all other Settlement Class Members, and Defendants by and through their respective attorneys, and intending to be legally bound that except as specifically stated to the contrary in this Agreement, all of the allegations, claims, demands, causes of action, and liabilities, that have been, could have been, or could in the future be asserted against Defendants relating to, arising out of, or in connection with any of the allegations made in the Complaint in the Action shall be settled and compromised, and final judgment on the claims asserted therein shall be entered, according to the terms and conditions set forth below.

AGREEMENT TERMS

Class Members

46. The Settling Parties agree that the Settlement Class shall be those Persons owning Properties At Issue identified through the visual inspection process described below, which at this time is believed to include the addresses set forth at **Exhibit A**.

47. Excluded from the Settlement Class are:

- a. Defendants, except the City of Ashland in its capacity as a property owner; any entity in which Defendants have a controlling interest; any entity that has a controlling interest in Defendants; and Defendants' legal representatives, assigns, and successors;
- b. The presiding judge and any member of the judge's immediate family; and
- c. Any entity or individual who the Court or Special Master determines is not entitled to be a member of the Settlement Class.

All defined as "Excluded Persons."

Replacement of Connections

48. Defendants, except Charter Oak, shall fund the work necessary to replace the Connections installed along Highway 2 within the limits of the City of Ashland as part of the Project.

49. The Settling Parties agree that the Connections shall be replaced according to the following procedure:

Visual Inspection

- a. Defendants, except Charter Oak, shall arrange and pay for a visual inspection of each Settlement Class Member's sanitary sewer lateral using video, television, or other similar technology to determine, among other things, whether the lateral is connected to the sanitary sewer main by means

of an Eccentric Coupling, and the methods of replacement that may be appropriate for each Connection identified.

Design and Approval

- b. Class Counsel and Defendants have identified the following as possible methods to replace the identified Connections:
 - i. CIPP
 - ii. Slip-Lining
 - iii. Manholes
 - iv. Excavation and Replacement.
- c. Defendants, except Charter Oak, will submit the summary attached as **Exhibit B**, along with site specific designs for each property, to DSPS for approval and request that DSPS approve and authorize the use of CIPP as a method to replace a Connection on the appropriate properties.
- d. Class Counsel agree to inform DSPS that they defer the issue of CIPP to DSPS and believe DSPS must make its own determination based upon the document attached hereto as **Exhibit B**.
- e. If CIPP receives DSPS approval and is an appropriate replacement method for an identified Connection for an appropriate property, CIPP shall be used to replace the identified Connection to the extent permitted by DSPS.
- f. If CIPP does not receive DSPS approval or is not an appropriate replacement method for an identified Connection, the Settling Parties agree

that Slip-Lining may be used to replace the identified Connection to the extent permitted by DSPS.

- g. If CIPP or Slip-Lining are not appropriate replacement methods for an identified Connection, a Settlement Class Member may, at his or her discretion, agree to accept \$1,500 to allow the installation of a Manhole to replace the identified Connection.
- h. If the Settlement Class Member does not agree to allow the installation of a Manhole, the Connection may be replaced by replacing the six-inch sanitary sewer lines within the structure serviced by the lateral to the point it connects to sanitary sewer, provided the Connection is not directly underneath Highway 2. If Connection is under the shoulder, the Connection is not directly underneath Highway 2.
- i. In the event the Connection is directly underneath Highway 2, the Settling Parties agree that a Manhole may be used to replace the Connection to the extent approved by DSPS and the affected Settlement Class Member shall receive the installation incentive.

Standards of Leaving Property

50. In replacing the Connections, the following standards will be followed:

- a. The real and personal properties shall be returned to a condition at least as good as prior to the commencement of the replacement process. Real and

personal property includes not only buildings but also the replacement of damaged sod, plants, asphalt and concrete.

- b. In returning the properties to the same condition, the Defendants shall match the existing texture, color and likeness of the properties to the extent possible.
 - c. If business operations must be suspended, or if a homeowner is displaced by the remediation, the Settlement Class Member will be reimbursed by the Defendants, except Charter Oak, for necessary and reasonable costs and expenses.
 - d. Defendants, except Charter Oak, are responsible for the costs to comply with the applicable codes, ordinances or laws in the installation of the remediation process set forth herein. Provided, however, Defendants are not responsible for the costs of remediating any violation of code, ordinance or law of the Properties at Issue wherein the existing condition (other than the Fernco connection) violates applicable codes, ordinances or laws and which pose a hazard to life, health or property. Nothing herein shall be construed to waive the authority of the City, or the State of Wisconsin, to enforce any code, ordinance or law.
51. The City of Ashland has received a notice of violation from the Wisconsin Department of Natural Resources as a result of a sanitary sewer overflow which requires the city to address “clear-water” or “Inflow and Infiltration” (“I & I”)

entering the sanitary sewer system. As a result, the clear-water-code violations have been determined to pose a hazard to life, health or property. The City of Ashland has also determined that joint-laterals may under certain circumstances pose a hazard to life, health, or property. The clear-water and joint-lateral code issues shall be addressed as follows:

- a. Roof storm-water systems running into the sanitary sewer will be disconnected from the sanitary sewer system during the remediation process.
- b. In the event a property has a foundational storm sewer system that ties into the sanitary sewer which may violate the City of Ashland's most current storm-water sewer ordinance, the Class Member shall: (1) be given notice by the City of the violation; (2) be given notice that the storm-sewer connection will not be reconnected to the sanitary sewer system; and (3) that if the Class Member desires to reconfigure his foundation storm-sewer system to avoid water damage to his property such as installation of sump basket, he/she/it can hire the appropriate professionals to install such a system through the funding mechanism referenced below. Alternatively, the Class Member may maintain the foundation storm sewer connection into the sanitary sewer line if the Class Member

elects to install a manhole as to the remediation method for the property, subject to DSPS approval as well as the City's right to eventually force the property owner to remove the foundation system as part of the city-wide initiative.

- c. In the event an election is made to install a manhole, the Class Member will execute an acknowledgment that he/she: (1) will be obligated to remediate clear-water or I & I violations subject to the City's funding mechanism; (2) acknowledges that the City will not at a later time replace the manhole with a more discrete connection, nor a connection that the Class Member believes will lower the likelihood of sanitary sewer back-ups; (3) may be required to execute documents seeking DSPS approval for a variance to the Wisconsin Plumbing Code; and (4) acknowledges that the City will be periodically maintaining and cleaning out the manhole.
- d. The City may also enforce the ordinance if future changes are made to the structure's plumbing system after the remediation process, but the City will not selectively enforce the ordinance against class members. Nothing contained herein shall be construed to waive the authority of the City, or the State of Wisconsin, to enforce code, ordinance or law.

- e. In the event that the property has a joint-lateral which requires separation of the laterals and installation of a new lateral, the Class Member shall: (1) be given notice by the City of the violation; (2) be given notice that a new lateral will have to be installed; and (3) be given notice that the Class Member will have to hire the appropriate professionals to install a new lateral through the funding mechanism referenced below. The City will not selectively enforce the joint-lateral ordinance against Class Members. Nothing contained herein shall be construed to waive the authority of the City, or of the state of Wisconsin, to enforce code, ordinance or law.
- f. The Common Council of the City has passed the following resolution with regard to the clear-water and joint-lateral issues:

The Common Council approves the concept of providing some funding mechanism to assist all affected property owners for costs of eliminating I & I and joint-laterals. HWY 2 property owners will be treated the same as the rest of property owners with similar I & I and joint-lateral problems.

In the event that the City has not finalized its funding mechanism plan for the clear-water/I & I and joint-laterals at

the time the remediation is performed, and the manhole option is not available or approved by the Class Member and/or DSPS, then the dispute regarding how to temporarily fund the remediation prior to the City's decision shall be submitted to the Special Master in a manner and fashion in which he directs.

- g. Any other and further disputes over the monetary contribution of the property owners, if any, to the remediation process arising from property code violations, including but not limited to what existing conditions at particular properties (other than "clear-water connections" "I & I" or "joint-laterals") constitute a hazard to life, health or property, will be submitted to the Special Master in a manner and fashion in which he directs.

Claims for Property Damages and Claims Procedure

- 52. Class Counsel and Counsel for Defendants, except Charter Oak, agree that Settlement Class Members who have incurred damage to real or personal property caused by a Connection, including loss of use, or incurred costs to repair or replace a Connection, may submit a claim to the Special Master to recover the amount of the actual damages or costs incurred.

53. To be eligible to submit a claim, a Settlement Class Member must complete a copy of the Claims Form that is attached as **Exhibit C**, and submit it to the Special Master within the Claims Period and provide copies to Class Counsel and Counsel for Defendants.
54. Defendants shall have the right to object to a Claim and submit a statement to the Special Master setting forth the basis of the objection. Defendants must submit any such statement within thirty (30) days of receiving a Claim.
55. The Special Master shall review all properly submitted claims and issue a decision approving, modifying, or denying each claim. The Special Master shall also decide disputes regarding the claims process. The decisions of the Special Master shall be final and binding.
56. Class Counsel agrees that the proposed Settlement Notice provides sufficient details on the Claims Process to enable the Settlement Class Members to have fair notice of the claims procedures and deadlines.
57. The Special Master's reasonable fees and expenses will be paid by RJS and/or Charter Oak as they have separately agreed.

Claims Period

58. Settlement Class Members must complete and submit a Claim Form by regular first class mail and postmarked no later than sixty (60) days from the date the identified Connection on their property is replaced, or in the case of an Abandoned Property, the Effective Date of this Agreement. Any claims not submitted within

this time period shall be waived and forfeited, and may not be asserted against Defendants in any legal action or other proceeding.

Reasonable Efforts and Dealings with Putative Settlement Class Members

59. Class Counsel and Counsel for Defendants agree that they will make reasonable efforts to (i) recommend and obtain approval of this Agreement by the Court, in accordance with the class action rules of procedure; (ii) carry out the tenets of this Agreement; (iii) support this Agreement in all public statements; and (iv) secure the prompt, complete and final judgment for the Action.

The Preliminary Approval Order

60. Upon execution of this Agreement, the Settling Parties will file the proposed Preliminary Approval Order that is attached as **Exhibit D** to this Agreement simultaneous with a joint motion seeking preliminary approval of the Agreement.
61. In the event the Final Order and Judgment is not entered or is reversed for any reason, or this Agreement is voided or terminated for any other reason, any stay imposed under the Preliminary Approval Order shall be automatically lifted and the Settling Parties shall not be deemed to have waived any rights with respect to proceedings.

Notice Plan

62. The Settling Parties will file a proposed Settlement Notice simultaneously with their joint motion seeking preliminary approval of the settlement. The proposed Settlement Notice is attached hereto as **Exhibit E**.

63. The Settling Parties and their counsel agree that the proposed Settlement Notice is consistent with the due process requirements of the United States Constitution, the Wisconsin Constitution, and applicable law.
64. Upon approval, the proposed Settlement Notice shall be mailed, first class postage prepaid, to each Settlement Class Member and the occupants of each Property At Issue. While Defendants have informed Class Counsel that they do not maintain data specifying Settlement Class Members' names and addresses, Defendants, except Charter Oak, shall make reasonable efforts to provide all reasonably available data, specifying Settlement Class Members' names, addresses, and any other contact information.
65. Class Counsel shall mail all required notices as set forth in the proposed Preliminary Approval Order.

Responses to the Settlement Notice regarding Pendency of Class Action; Motion for Final Approval

66. Prior to the Objection Deadline, a Settlement Class Member may object to this Agreement by filing written objections with the Court and serving a copy upon counsel for RJS, SEH, XL and the City. The objection must bear the signature of the Settlement Class Member (even if represented by counsel) and specify: (1) the Settlement Class Member's current address and telephone number; (2) the address of the property(ies) that may have a Connection; (3) the exact nature of the objection and the facts underlying the objection; (4) whether or not the Settlement Class Member intends to appear at the Final Fairness Hearing; and (5) a copy of

any documents that the Settlement Class Member intends to use at the Final Fairness Hearing. If the Settlement Class Member is represented by counsel, the objection shall also be signed by the attorney who represents the Settlement Class Member. Class Counsel and Counsel for the RJS, SEH, XL, and the City must be served with copies of the objections, postmarked no later than the Objection Deadline.

67. Settlement Class Members who object to the Agreement may appear and be heard orally at the Final Fairness Hearing provided they timely filed and served written objections.

Releases

68. Subject to the provisions of this Agreement, and on the entry of the Final Order and Judgment, the Settlement Class Members, release and forever discharge (as by an instrument under seal without further act by any person, and on good and sufficient consideration), the Released Parties from each and every claim of liability, on any legal or equitable ground whatsoever, including relief under federal law or the laws of any state, regarding or related to the Connections, including without limitation, all claims, damages, or liability on any legal or equitable ground whatsoever, and regardless of whether such claims might have been or might be brought directly, or through subrogation or assignment or otherwise, on account of or related to the Connections, which were alleged or could have been alleged in the Action.

69. The Release provided by this Agreement shall be and is broad and expansive and shall include release of all damages, burden, obligation or liability of any sort, including, without limitation, penalties, punitive damages, exemplary damages, statutory damages, damages based on a multiplication of compensatory damages, court costs, or attorney fees or expenses, which might otherwise have been made in connection with any claim relating to the Connections.
70. This Release includes all claims that the Settlement Class Members have or may hereafter discover including, without limitation, claims, injuries, damages, or facts in addition to or different from those now known or believed to be true with respect to any matter disposed of by this Agreement, but have fully, finally, and forever settled and released any and all such claims, injuries, damages, or facts whether known or unknown, suspected or unsuspected, contingent or non-contingent, past or present, whether or not concealed or hidden, which exist, or heretofore have existed on any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct which is negligent, intentional, with or without malice, or a breach of any duty, law or rule, without regard to the subsequent discovery or existence of such different or additional facts. The Settlement Class Members shall be deemed by operation of the Final Order and Judgment to have acknowledged, that the foregoing waiver was separately bargained for and a key element of the settlement of which the releases herein are a part. The Settlement Class Members expressly and intentionally

waive any and all rights and benefits that they now have or in the future may have under the terms of the law of Wisconsin (whether statutory, common law, regulation, or otherwise) or any other state or territory of the United States as related to matters arising from or in any way related to, connected with, or resulting from the Connections.

71. It is specifically understood and agreed by Released Parties that the Settlement Class Members do not release or waive any claim that may arise out of the work relating to the replacement of the Connections. This includes any claims arising from designs and/or remediation work on the Settlement Class Members' real or personal properties contemplated in paragraphs 48 to 50.
72. It is the intent of the Settlement Class Members that no Settlement Class Member shall recover, directly or indirectly, any sums for claims released by operation of this Agreement, including, without limitation, the claims settled and released herein from the Released Parties, other than sums received under this Agreement and that the Released Parties shall have no obligation to make any payments to any non-parties for liability arising out of claims released by operation of this Agreement.
73. If, notwithstanding the intention of the Settling Parties expressed herein, any release given by the Settlement Class Member is not given its full effect by operation of law, then the Releasing Parties shall be deemed to have and do hereby

transfer and assign to the Released Parties all claims, if any, that were deemed not released, to the extent necessary to effectuate the intent of the Release.

74. The Settling Parties shall cooperate to ensure that the Releases set forth in the Final Approval Order are given their full force and effect (including by seeking the inclusion of the Releases in the Final Order and Judgment and the Claims Forms) but not interpreted to release any claims arising out of the future remediation work.
75. RJS has entered into a separate settlement agreement and release with Charter Oak. RJS has agreed to satisfy any amounts that might otherwise be determined to be the obligation of Charter Oak under this Agreement.
76. Once the replacement of the Connections has been completed under the terms of this Agreement, pursuant to the standards described herein, and accepted and approved by DSPS and other applicable state and local authorities, and once all sums owed under the Agreement have been paid, Class Counsel and Counsel for Defendants, except Charter Oak, shall jointly request the dismissal of any and all Notices of Violation issued by the DSPS against RJS and relating to the Connections.

Attorney Fees and Costs

77. Defendants agree not to object to Class Counsel's cumulative request for an award of fees and costs up to \$367,000.00. Payment of the attorney fees and costs award shall constitute full satisfaction of any claim for fees and costs between the Class

Counsel and the Settlement Class Members, on the one hand, and Defendants and the Released Parties, on the other hand, with the exception of the fees and costs incurred in connection with the property remediation process. But for this single exception, Class Representatives and Class Counsel, on behalf of themselves and all Settlement Class Members, agree that they shall not seek any additional attorney fees or costs under any theory as against Defendants.

78. Defendants, except Charter Oak, shall pay the attorney fees and costs awarded to Class Counsel by the Court within 10 days of the Effective Date by wiring the monies to the trust account of Thibodeau, Johnson and Feriancek, PLLP.
79. The failure of the Court to approve all or some of the attorneys' fees and costs shall not invalidate this Agreement, but Class Counsel reserves their appellate rights concerning their potential fee and costs award.
80. Defendants, except Charter Oak, agree to pay future attorneys fees and costs exclusively relating to the remediation process. Defendants, except Charter Oak, shall pay these attorneys fees and costs to the trust account of Thibodeau, Johnson and Feriancek, PLLP within 10 days of the Special Master's approval of the fees, absent earlier agreement by the Defendants.

Lead Plaintiff Service Award

81. Defendants agree that, subject to the approval of the Court, an award as compensation for effort, time and expenses expended and service shall be made to the Class Representatives in an amount of \$5,000.00 to be paid by Defendants,

except Charter Oak, to Bayfront, LLC, and \$5,000.00 to MJH Properties, LLC to compensate them for their effort, service, time, and expenses in connection with this litigation. The failure of the Court to approve the service fees shall not invalidate this Agreement, but the Class Representatives reserve their appellate rights concerning their potential award.

82. Defendants, except Charter Oak, shall pay the service awards to the Plaintiffs within 10 days of the Effective Date by wiring the monies to the trust account of Thibodeau, Johnson and Feriancek, PLLP.

Final Orders and Judgment of Approval and Dismissal

83. At least 14 days before the Final Fairness Hearing, the Settling Parties shall file a joint motion requesting that the Court grant final approval of the Agreement and requesting that the Court enter the proposed Final Order and Judgment that is attached as **Exhibit F**.
84. If the Final Approval Order and Judgment is not granted by the Court, or it is not upheld on appeal, or this Agreement is otherwise terminated before the Effective Date, the Agreement and all negotiations, proceedings, and documents prepared, and statements made in connection therewith, shall be without prejudice to any Settling Party and shall not be deemed or construed to be an admission or confession by any Settling Party of any fact, matter or proposition of law.

Effective Date

85. The Effective Date shall occur when all of the following conditions have been satisfied.
- a. The Court has entered a Final Order and Judgment that conforms to the terms and conditions required by this Agreement.
 - b. The Final Order and Judgment has become final. The Final Order and Judgment shall become final on the later of: (i) all periods within which to file an appeal from the Final Orders and Judgment have expired without the filing of an appeal; or (ii) in the event that an appeal from the Final Order and Judgment is filed, a final order has been entered disposing of the appeal, or any time for seeking leave to appeal or time for further appeal has expired.
86. After the Effective Date occurs, final judgment on the merits of the Agreement and Complaint will be entered, and post-judgment remediation will proceed, which Class Counsel will affirmatively support.

Exclusive Remedy; Dismissal of Action; Jurisdiction of Court

87. Each and every Settlement Class Member submits to the jurisdiction of the Court and will be bound by the terms of this Agreement (including, without limitation, any and all releases).
88. This Agreement shall be the sole and exclusive remedy for any and all pending or future claims of Settlement Class Members against Defendants and Released

Parties arising from the installation and incorporation of any allegedly defective Connection, but not the replacement of the Connections, and on entry of the Final Order and Judgment, each Settlement Class Member shall be barred from initiating, asserting or prosecuting any such claims against Defendants and the Released Parties, except specified herein. The Court shall retain exclusive and continuing jurisdiction to interpret and enforce the terms, conditions, and obligations of this Agreement and its own orders and judgments. In the event of a breach by RJS, SEH, XL, or the City or a Settlement Class Member under this Agreement, the Court may exercise all equitable powers over RJS, SEH, XL, or the City or such Settlement Class Member to enforce this Agreement and the Final Order and Judgment irrespective of the availability or adequacy of any remedy at law. Such powers include, among others, the power of specific performance, and injunctive relief.

Other Terms and Conditions

89. This Agreement is made for the sole purpose of attempting to consummate a settlement of the Action on a class-wide basis. This Agreement is made in compromise of disputed claims and shall not be construed as an admission of liability by Defendants. This Agreement is entered into solely to avoid further litigation.
90. Because this Action was plead as a class action, this Agreement must receive preliminary and final approvals by the Court. It is an express condition of this

Agreement that the Court shall make and enter a Final Order and Judgment in conformance with the terms and conditions of this Agreement. In the event that the Effective Date does not occur, this Agreement shall be terminated and only those provisions necessary to effectuate such termination and to restore fully the Settling Parties, except Charter Oak, to their respective positions before entry of this Agreement shall be given effect and enforced. In such event, the Settling Parties shall bear their own costs (except the actual notice and administrative costs, which shall be borne by Defendants, except Charter Oak) and attorney fees in all respects including without limitation, with regard to the efforts to obtain any Court approval under this Agreement.

91. The Settling Parties and signatories to this Agreement warrant and represent that in executing this Agreement they have each had the opportunity to seek legal advice from the attorney and or attorneys of their choice, and that the terms of this Agreement and its consequences have been completely read and explained to any such party by such attorney. Irrespective of whether the Settling Parties and signatories have availed themselves of the opportunity to have an attorney review this Agreement, each Settling Party represents and expressly warrants that it fully understands both the terms and consequences of executing this Agreement, and executes it and agrees to be bound by the terms set forth herein knowingly, intelligently, and voluntarily.

92. Each Settling Party and signatory to this Agreement further acknowledges and represents that it has been apprised of all relevant information and data furnished by its attorneys of record and all other information relevant to this Agreement, including but not limited to, future risks, complications and costs. Each Settling Party and signatory to this Agreement further acknowledges and represents that, in executing this Agreement, it has not relied on any inducements, promises, or representations, other than those specifically provided and set forth within this Agreement.
93. Each Settling Party and signatory to this Agreement agrees to execute and deliver to any other party any and all such additional documents and to perform any and all acts necessary, convenient or desirable, as may be reasonably required to fully carry out and effectuate the intent of this Agreement.
94. The Settling Parties acknowledge that it is their intent to consummate this Agreement and agree to make best efforts to cooperate to the extent necessary to effectuate and implement all terms and conditions of the Agreement and to exercise their best efforts to accomplish the foregoing terms and conditions of the Agreement.
95. This Agreement compromises claims that are contested in good faith, and it shall not be deemed an admission by any of the Settling Parties as to the merits of any claim or defense. The Settling Parties agree that the amounts paid in settlement and the other terms of this Agreement were negotiated in good faith by the Settling

Parties, and reflect a settlement that was reached voluntarily after consultation with competent legal counsel and through involvement of the Court.

96. All of the exhibits attached to this Agreement (whether in original form or as modified in writing with consent of all Settling Parties) are material and integral parts of this Agreement and are fully incorporated herein by this reference.
97. Subject to Court approval, Class Counsel, on behalf of the Settlement Class Members, expressly warrant that they are authorized by the Class Representatives to take all appropriate action required or permitted to be taken by the Settlement Class Members pursuant to the Agreement to effectuate its terms, and also are expressly authorized to enter into any modifications or amendments to the Agreement on behalf of the Settlement Class Members which they deem appropriate.
98. Subject to Court approval, each counsel or other person executing the Agreement on behalf of any party hereto hereby warrants that such person has the full authority to do so. Class Counsel and Counsel for Defendants believe the Agreement represents a fair, just reasonable, and good faith settlement of the claims brought by the Settlement Class Members. Subject to Court approval, the Agreement is binding on the Settling Parties, the Class Representatives, the Settlement Class Members, and as applicable herein, on Class Counsel in their own right.

99. Subject to Court approval, the Agreement shall be binding on, and inure to the benefit of, the agents, heirs, executors, administrators, and assigns of the Settling Parties hereto.
100. The language of all parts of this Agreement shall in all cases be construed as a whole according to its fair meaning and not strictly for or against other party. No party shall be deemed the drafter of this Agreement. The Settling Parties acknowledge that the terms of the Agreement are contractual and are the product of negotiations between the Settling Parties and their counsel. Each Settling Party and its counsel cooperated in the drafting and preparation of the Agreement. In any construction to be made of the Agreement, the Agreement shall not be construed against any party. Any canon of contract interpretation to the contrary, under the law of any state, shall not be applied.
101. This Agreement and all of the exhibits constitute the entire agreement of the Settling Parties. In entering this Agreement, the party is not relying on any promise, inducement, or representation other than those set forth herein. Any agreement purporting to change or modify the terms of this Agreement or all of the notices, orders, and judgments required by this Agreement must be in writing, signed by counsel for each of the Settling Parties to this Agreement.
102. The waiver, by any party to this Agreement, of any breach of its terms shall not be deemed or construed to be a waiver of any other breach of this Agreement, whether prior, subsequent or contemporaneous.

103. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original. All counterparts shall constitute one Agreement, binding on all Settling Parties hereto, regardless of whether all Settling Parties are signatories to the same counterpart, but the Agreement will be without effect until and unless all Settling Parties to this Agreement have executed a counterpart.

104. This Agreement shall be governed by the laws of the State of Wisconsin.

Agreed as set forth above:

THIBODEAU, JOHNSON AND FERIANECK, PLLP

By:  _____

Its: PARTNER _____

LARSON • KING, LLP

By: _____

Its: _____

BAYFRONT, LLC

By: _____

Its: _____

103. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original. All counterparts shall constitute one Agreement, binding on all Settling Parties hereto, regardless of whether all Settling Parties are signatories to the same counterpart, but the Agreement will be without effect until and unless all Settling Parties to this Agreement have executed a counterpart.

104. This Agreement shall be governed by the laws of the State of Wisconsin.

Agreed as set forth above:

THIBODEAU, JOHNSON AND FERIANCEK, PLLP

By: _____

Its: _____

LARSON • KING, LLP

By: T. Jon S _____

Its: Partner _____

BAYFRONT, LLC

By: _____

Its: _____

103. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original. All counterparts shall constitute one Agreement, binding on all Settling Parties hereto, regardless of whether all Settling Parties are signatories to the same counterpart, but the Agreement will be without effect until and unless all Settling Parties to this Agreement have executed a counterpart.

104. This Agreement shall be governed by the laws of the State of Wisconsin.

Agreed as set forth above:

THIBODEAU, JOHNSON AND FERIANCEK, PLLP

By: _____

Its: _____

LARSON • KING, LLP

By: _____

Its: _____

BAYFRONT, LLC

By: Scott Bretting

Its: MEMBER

MJH PROPERTIES, LLC

By: *Henry Mantua*

Its: *Member*

SHORT ELLIOTT HENDRICKSON, INC.

By: _____

Its: _____

REUBEN JOHNSON & SON, INC./RJS CONSTRUCTION GROUP

By: _____

Its: _____

CITY OF ASHLAND, WISCONSIN

By: _____

Its: _____

MJH PROPERTIES, LLC

By: _____

Its: _____

SHORT ELLIOTT HENDRICKSON, INC.

By: James C. Newman
James C. Newman

Its: Sr. VP

REUBEN JOHNSON & SON, INC./RJS CONSTRUCTION GROUP

By: _____

Its: _____

CITY OF ASHLAND, WISCONSIN

By: _____

Its: _____

MJH PROPERTIES, LLC

By: _____

Its: _____

SHORT ELLIOTT HENDRICKSON, INC.

By: _____

Its: _____

REUBEN JOHNSON & SON, INC./RJS CONSTRUCTION GROUP

By: Dee Wiley _____

Its: PRESIDENT & COO _____

CITY OF ASHLAND, WISCONSIN

By: _____

Its: _____

MJH PROPERTIES, LLC

By: _____

Its: _____

SHORT ELLIOTT HENDRICKSON, INC.

By: _____

Its: _____

REUBEN JOHNSON & SON, INC./RJS CONSTRUCTION GROUP

By: _____

Its: _____

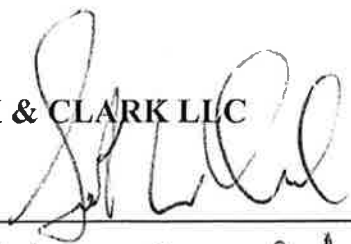
CITY OF ASHLAND, WISCONSIN

By: *[Signature]* *PURSUANT TO COUNCIL APPROVAL ON OCTOBER 29, 2013*

Its: *ADMINISTRATOR*

CLARK & CLARK LLC

By: _____



10/30/13

Its: _____

Att. Gen. City of Ashland

XL INSURANCE COMPANY

By: _____

Its: _____

CHARTER OAK FIRE INSURANCE COMPANY

By: _____

Its: _____

1383160

CLARK & CLARK LLC

By: _____

Its: _____

XL INSURANCE COMPANY

By: Stephen Buterin

Its: Attorney

CHARTER OAK FIRE INSURANCE COMPANY

By: _____

Its: _____

1384510

CLARK & CLARK LLC

By: _____

Its: _____

XL INSURANCE COMPANY

By: _____

Its: _____

CHARTER OAK FIRE INSURANCE COMPANY

By: Tom Arne

Its: Regional Director

1384510

TABLE OF EXHIBITS

Exhibit A:	List of properties believed to have improper connections
Exhibit B:	Engineering summary to be submitted with site specific plans to DSPS
Exhibit C:	Claim form
Exhibit D:	Proposed Preliminary Approval Order
Exhibit E:	Proposed Class Notice
Exhibit F:	Proposed final Order and Judgment

EXHIBIT A

LIST OF PROPERTIES BELIEVED TO HAVE IMPROPER CONNECTIONS

#	Street address of affected property	Owner of property	Owner's mailing address
1	1200 Lake Shore Drive Ashland, WI	Bayfront LLC	66758 Bayfront Rd Ashland, WI 54806
2	1114 Lake Shore Drive Ashland, WI	Bayfront LLC	66758 Bayfront Rd. Ashland, WI 54806
3	1110 Lake Shore Drive Ashland, WI	Bayfront LLC	66758 Bayfront Rd. Ashland, WI 54806
4	1104 Lake Shore Drive Ashland, WI	Gerald Welch	3012 Lake Mendota Dr. Madison, WI 53705
5	103 11 th Avenue Ashland, WI	M. Schaufnagel & Sons	5503 Chestnut Lane McFarland, WI 53558
6	1020 Lake Shore Drive Ashland, WI	Leroy Watland	1612 MacArthur Avenue Ashland, WI 54806
7	104 11 th Avenue Ashland, WI	Garden Superior Properties	1219 Rolling Hills Trail Hudson, WI 54016
8	1000 Lake Shore Drive Ashland, WI	Gary & Kay Lapean	3103 City Heights Rd. Ashland, WI 54806
9	109 10 th Avenue Ashland, WI	Erik Hankaas	605 9 th Avenue West Ashland, WI 54806
10	916 Lake Shore Drive Ashland, WI	Muskie Properties LLC	60351 Aenold Market Road Bend, OR 97702
11	915 Lake Shore Drive Ashland, WI	Front Street Spur Inc.	915 Lake Shore W. Ashland, WI 54806
12	901 Lake Shore Drive Ashland, WI	Ester M. Guitar	901 Lake Shore Drive W. Ashland, WI 54806
13	819 Lake Shore Drive Ashland, WI	Robert & Patricia Stromberg	72920 State Hwy. 13 Ashland, WI 54806
14	824 Lake Shore Drive Ashland, WI	Hardshell Holdings, LLC	
15	801 Lake Shore Drive Ashland, WI	Stephen & Patricia Schraufnagel	811 Chapple Avenue Ashland, WI 54806
16	715 Lake Shore Drive Ashland, WI	U.S.A.	615 W. Main Street W. Ashland, WI 54806
17	704 Lake Shore Drive Ashland, WI	Suzanne Bristow	704 Lake Shore Drive W. Ashland, WI 54806
18	705 Lake Shore Drive Ashland, WI	MJH Properties LLC	P.O. Box 841 Ashland, WI 54806
19	615 Lake Shore Drive Ashland, WI	Lakeview Dental	615 Lake Shore Drive W. Ashland, WI 54806
20	615 Main Street	U.S.A. Post Office Building	615 Main Street W. Ashland, WI 54806
21	601 Main Street	City of Ashland	601 Main Street W. Ashland, WI 54806

#	Street address of affected property	Owner of property	Owner's mailing address
22	601 Lake Shore Drive	Bretting Development Corp., Inc.	3401 Lake Park Road Ashland, WI 54806
23	512 Lake Shore Drive	Pete & Dawn Wiley	512 Lake Shore Drive W. Ashland, WI 54806
24	510 Lake Shore Drive	William & Hazel Biglow	105 Vaughn Avenue Ashland, WI 54806
25	421 Lake Shore Drive	Frank Kostka	421 Lake Shore Drive W. Ashland, WI 54806
26	410 Lake Shore Drive	Daniel & Sandra Dugger	62679 Dahlstrom Rd. Ashland, WI 54806
27	321 Lake Shore Drive	Northern State Bank	321 Lake Shore Drive W. Ashland, WI 54806
28	312 Lake Shore Drive	Northern State Bank	321 Lake Shore Drive W. Ashland, WI 54806
29	201 Main Street	Ashland County Courthouse	201 Main Street W. Ashland, WI 54806
30	200 Lake Shore Drive	City of Ashland	601 Main Street W. Ashland, WI 54806
31	101 Lake Shore Drive	Maplewood Hospitality	1627 N. 34 th St., Suite 1 Superior, WI 54880
32	101 Lake Shore Drive	Aca Properties, LLC	77450 N. Houghton Point Rd. Washburn, WI 54891
33	121 Lake Shore Drive	Susan Lynn Joanis	209 13 th Avenue E. Ashland, WI 54806
34	201 Lake Shore Drive	Our Lady of The Lake Catholic Comm.	106 2 nd Avenue E. Ashland, WI 54806
35	215 Lake Shore Drive	Our Lady of The Lake Catholic Comm.	106 2 nd Avenue E. Ashland, WI 54806
36	220 Lake Shore Drive	Our Lady of the Lake Catholic comm..	106 2 nd Avenue E. Ashland, WI 54806
37	301 Lake Shore Drive	Northern States Power Company	P.O. Box 8 Eau Claire, WI 54702
38	313 Lake Shore Drive	Richard Stemaszewski	313 Lake Shore Drive E. Ashland, WI 54806
39	407 Lake Shore Drive	Mackey & Sandor, LLC	407 Lake Shore Drive E. Ashland, WI 54806
40	409 Lake Shore Drive	Mackey & Sandor, LLC	407 Lake Shore Drive E. Ashland, WI 54806
41	412 Lake Shore Drive	Jared Glovski	1211 9 th Avenue W. Ashland, WI 54806
42	415 Lake Shore Drive	James Pagac	2117 5 th St. E. Ashland, WI 54806
43	418 Lake Shore Drive	Ronald & Judy	72545 Ondossagon Rd. Washburn, WI 54891
44	420 Lake Shore Drive	Barbara Demasi	420 Lake Shore Drive E. Ashland, WI 54806

#	Street address of affected property	Owner of property	Owner's mailing address
45	419 Lake Shore Drive	Bebeau Properties	25725 Karaba Rd. Ashland, WI 54806
46	501 Lake Shore Drive	Scott & Teresa Stephenson	501 Lake Shore Drive E. Ashland, WI 54806
47.	108 5 TH Avenue E.	Capital Holdings, LLC (Stephenson?)	P.O. Box 77 Evansville, WI 53531
47	502 Lake Shore Drive	MJH Properties	P.O. Box 841 Ashland, WI 54806
48	511 Lake Shore Drive	Bebeau Properties	25725 Karaba Rd. Ashland, WI 54806
49	521 Lake Shore Drive	Krist Oil Corp.	303 Selton Road Iron River, MI 49935
50	601 Lake Shore Drive	Peter S. Markey	922 W. Hallam Aspen, CO 81611
51	609 Lake Shore Drive	Deutsche Bank National Trust Company	5401 North Beach St. Fort Worth, TX 76137
52	615 Lake Shore Drive	Patricia Hall	615 Lake Shore Drive E. Ashland, WI 54806
53	617 Lake Shore Drive	Sigard Aalid	P.O. Box 547 Ashland, WI 54806
54	619 Lake Shore Drive	Federal National Mortgage Association	4001 Leadenhall Rd. Mt. Laurel, NJ 08054
55	621 Lake Shore Drive	Roy Ludack	621 Lake Shore Drive E. Ashland, WI 54806
56	701 Lake Shore Drive	Gene & Donna Maday	474 82 nd Avenue N.E. Spring Lake Park, MN 55432
57	705 Lake Shore Drive	Diane Imhoff	705 Lake Shore Drive E. Ashland, WI 54806
58	102 7 th Avenue	William N. Barnes	102 7 th Avenue E. Ashland, WI 54806

EXHIBIT B

LHB Letterhead

Wisconsin DSPS

Dear Sir/Madam:

Attached to this letter please find an application for approval of the remediation plan we propose for use on the Highway 2 laterals subject to your notice of violation issued in December 2012 to RJS Contractors. In putting together this engineered solution, we have for each site performed the following analysis of the existing site conditions:

- a. Performed a fixture count in each building to verify the Drainage Fixture Unit "DFU's" Values by Fixture type in accordance with the Wisconsin Administrative Code SPS 382.3 (see attachment).
- b. Determined the size of the existing water service.
- c. Televised the sewer service from inside the building to the main. This allowed us to determine the pipe sizes, material types, fittings and lengths. We were also able to determine the condition of the exiting service, root problems and sags in the line.

Following the investigation, we separately engineered and designed each property based upon the conditions we discovered at the site. In particular, our engineering included:

- a. Determining the design volume rate of discharge based on the DFU's. We also considered the maximum volume rate based on the size of water service and water pressure.
- b. Developing a sewer service rehabilitation design for each site. This included the following potential options to replace the existing couplings to the sanitary line under Highway 2:
 1. If the existing building plumbing is 4" and service outside the building is 6", and there are not an excessive amount of Bends/fittings, and there are no sags, and the length is in our professional opinion and the opinion of the installing contractor is reasonable, 4" NuFlow Cast In Place Piping ("CIPP") will be installed from the existing 4" leaving the building to the new 4" connection to the sewer lateral at the property line.
 2. If the existing plumbing is 6" and service leaving the building is 6", the property owner will be offered the option of placing a manhole at the property line to maintain the 6" to 4" transition. The manhole will not be installed if rejected by the property owner.
 3. If the existing plumbing is 6" and service leaving the building is 6" and the property owner rejects the installation of a manhole at the property line the repair will be completed by re-plumbing the building if appropriate, or with a

combination of traditional excavation and replacement and/or Excavation and slip lining.

4. If the existing plumbing is 4" and service outside the building is 4", and CIPP alone is not appropriate due to an excessive amount of Bends/fittings, the existence of a sag, and/or the length is not reasonable for installation of CIPP, the repair will be completed with a combination or of traditional excavation and replacement; Excavation and slip lining; and/or CIPP and/or a manhole as outlined in our site specific design.
5. In performing our engineering and design we believe is appropriate for each site, we compared the probable discharge of our design to the existing drain system and to the code to determine that the proposed rehabilitation will have the necessary capacity.

We then documented the design in construction documents consisting of the following:

- a. Plan sheets showing the approximate location of each service
- b. A chart including the address, type of specified repair, and approximate quantities and design calculations for each type of repair at each site.
- c. A specification that will include the requirements of the applicable ASTM standards.

Upon the approval of our engineered solution by the DSPS we will perform construction observation phase services which will include:

- a. Observation of the work to rehabilitate each service.
- b. The televising of each service after the rehabilitation of the work.
- c. The review of all video tapes to comply with the testing requirements of the code.

We understand that the Class Action associated with this issue has settled. In connection with the settlement, Class Counsel for the property owners have raised issues they wanted LBH to specifically address in the CIPP engineering design. We have considered these issues in our engineered solution for each site and addressed them in our design as follows:

- Class Counsel noted that the proposed CIPP application includes new CIPP pipe that is a "floating tube". The ASTM standard has language stating "When cured, the finished existing pipe will be continuous and tight-fitting." In our professional opinion as engineers licensed in the State of Wisconsin, CIPP if installed in accordance with our design will meet or exceed the requirements of ASTM F-1743. The CIPP product from NUFlow hardens to a strength that exceeds Schedule 40 PVC and as a standalone pipe will withstand the pressures it will face in this application at least as well as Schedule 40 PVC.
- Class Counsel has noted that the lining of the existing 4" service at the building and the 4" Wye at the sewer main will decrease the diameter (0.317") of the pipe below 4". We have considered this reduction in diameter in our design for each site. The CIPP will only be installed where the existing sewer service leaving the building is 4". The CIPP connection point, even though it has a slightly lesser

diameter, has more capacity than the cast iron because of its more efficient flow characteristics. We have attached a spreadsheet to this letter as Exhibit A demonstrating our calculations. Where the existing service is leaving the building is PVC there will be a slight loss in capacity. Our Engineered solution included running calculations at each of these sites to ensure the flow capacity meets or exceeds the probable discharge of the individual property.

- Class Counsel has expressed concern about using the CIPP where the existing slope of the lateral service may be too slight or too great. While we are not able to actually measure the slope of the existing service when we televise the lines, any evidence of inadequate slope would have been visible when we televised the lines. For example, solids and standing water would be visible inside the pipe. The CIPP when in place will conform to the bottom profile of the existing pipe. The advantage of CIPP is that it has better/smoothier flow characteristics than the existing Clay pipe. This will increase the velocity in the pipe better enabling the pipe to self-clean. In addition, the existing clay pipe has joints every 3-5 feet. The new Flow has no joints making it substantially more root resistant and easier to self-clean. In our professional opinion as Engineers licensed in the State of Wisconsin, the 4" CIPP product from NuFlow will perform better than the existing 6" clay pipe.
- Class counsel has expressed concern that use of the CIPP product from NuFlow will affect the DFU calculations for the property. As noted above, in our engineered solution where we recommend CIPP, we have considered the DFU's for each site and the capacity of the new pipe compared to the pre-existing pipe. Our Engineered solution included running calculations at each of these sites to ensure the flow capacity meets or exceeds the probable discharge of the individual property.
- Class Counsel has noted that ASTM F1216 Section 8 parts 8.1 - 8.7 require testing of the CIPP service following rehabilitation. However, In our opinion that ASTM standard is not applicable to the NuFlow CIPP product and we are not aware of a relevant test for already installed CIPP. As a result, we will fulfill any testing requirement by televising the installed CIPP and looking for defective conditions.

Please note that Class Counsel has not hired independent engineers to evaluate the CIPP process or the other proposed repairs. Class Counsel neither opposes nor endorses the use of CIPP. As a result, the decision of DSPS to approve the use of the CIPP process should be based upon the engineering that we performed, and the adequacy of the product to handle the anticipated use. Class Counsel and the named plaintiffs in the Class Action lawsuit cannot accept any liability for the design or installation of CIPP at any of the properties. Any negligence in the design of the process for a particular property is the responsibility of LHB and any defects on the materials or workmanship in the installation shall be the responsibility of the manufacturer and installer.

If you have any questions about our engineered solution for the particular properties, or regarding anything else in the application, please do not hesitate to contact me.

Sincerely,

LHB, Inc.

Jay Bergman, P.E.

1377377

EXHIBIT C

CLAIM FORM FOR
SEWER BACK-UPS
OR OTHER SEWER PROBLEMS

This Claim Form is for damage caused by improper sewer connections from the Highway 2 project, primarily those labor, costs and expenses arising from a sewer back-ups or odors, or for incurred labor, costs or expenses if you previously had work performed on your sewer system. **If you have not had any sewer problems, you should not submit Claim Form.** You do not have to submit a Claim Form to have your sewer connection fixed under the settlement.

THIS CLAIM FORM MUST BE SUBMITTED TO THE ADDRESS BELOW WITHIN THIRTY (30) DAYS AFTER YOUR SEWER CONNECTION IS REPLACED. IF THERE IS NO LONGER A STRUCTURE ON YOUR PROPERTY, YOU MUST SUBMIT A CLAIM FORM BY [DATE].

INSTRUCTIONS

If you wish to be considered for compensation for damages to real or personal property under the settlement, including loss of use, or costs to repair or replace a connection under the Settlement, you must follow these instructions:

1. Your eligibility for recovery of actual damages or costs under this Settlement is dependent upon you providing accurate and truthful information in response to this Claim Form.
2. Once you have completed this Claim Form, you must sign and date this form and fax, mail or e-mail the form and any supporting documentation to the address indicated below.
3. The Claim Form must be signed by the claimant, such as property owner, tenant or homeowner insurer, for a property located along Highway 2 within the City of Ashland that has an affected sewer connection.
4. The Claim Form must contain a detailed description of all property damage, costs, labor or loss of use caused by the Connection(s), along with the amount of costs incurred as a result of such property damage. If you have not had property fully repaired, you must provide written estimates. You must attach copies of receipts, estimates, as well as any relevant photographs or video you may have.

5. All Claim Form must be post-marked by within thirty (30) days after the properties' sewer connection replacement work is completed. If you have removed the structure for the property, your claim must be submitted by [date]. If you do not return your claim form on time, you cannot recover any monies.
6. If you are seeking monies for problems at multiple addresses, you must complete a separate claim form for each address.

CLAIM FORM

Bayfront, LLC, et al. v. Short Elliott Hendrickson, Inc., et al.
No. 10-CV-41, Ashland County, Wisconsin

Full Mailing Address of Property with Improper Connection:

Street: _____

City: _____ State: _____ ZIP Code: _____

Name of Property Owner: _____

Owner Mailing Address (if different than above):

Street: _____

City: _____ State: _____ ZIP Code: _____

Name of Claimant and Relationship to Owner if Claimant Not Owner (for example, a tenant or property insurer): _____

Owner's (or Claimant if different) Telephone Numbers:

Daytime: (____) _____-_____ Evening: (____) _____-_____

E-mail(s) for Owner (or Claimant if different): _____

Best way to reach Owner (or Claimant if different): _____

BY SIGNING AND SUBMITTING THIS CLAIM FORM, YOU ARE REPRESENTING THAT ALL OF THE INFORMATION IN THE CLAIM FORM IS ACCURATE AND TRUTHFUL TO THE BEST OF YOUR KNOWLEDGE. IN ADDITION, YOU ARE AGREEING THAT IF YOU INTENTIONALLY PROVIDE ANY FALSE INFORMATION, FAIL TO REASONABLY COOPERATE DURING THE CLAIMS PROCESS, FAIL TO PROVIDE INFORMATION, FAIL TO PROVIDE REASONABLE ACCESS TO AND/OR FAIL TO ALLOW AN INSPECTION OF YOUR PROPERTY, THIS SHALL CONSTITUTE A DEFAULT UNDER THE SETTLEMENT AND PRECLUDE YOU FROM RECEIVING ANY MONETARY RECOVERY UNDER THE SETTLEMENT, AND PRECLUDE YOU FROM PURSUING ANY CLAIMS AGAINST DEFENDANTS AND OTHERS ABOUT THE SEWER CONNECTION(S).

Dated _____

Signature of Property Owner (or Claimant)

Telephone

Dated _____

Signature of Property Owner (or Claimant)

Telephone

Dated _____

Signature of Property Owner (or Claimant)

Telephone

If your mailing address changes after you submit this CLAIM FORM, please notify Class Counsel in writing of your new address.

You must mail, e-mail or fax this CLAIM FORM, by the deadlines above, to:

[insert]

1376247

SHOULD YOU HAVE ANY QUESTIONS OR NEED ASSISTANCE IN COMPLETING THIS FORM, PLEASE CALL CLASS COUNSEL AT 1-800-_____.

EXHIBIT D

STATE OF WISCONSIN

CIRCUIT COURT

ASHLAND COUNTY

BAYFRONT, LLC, and MJH PROPERTIES, LLC, on
behalf of themselves and all others similarly situated,

Plaintiffs and Class Representatives,

vs.

SHORT ELLIOTT HENDRICKSON, INC., XL
SPECIALTY INSURANCE COMPANY; REUBEN,
JOHNSON & SON, INC.; RJS CONSTRUCTION
GROUP, LLC; and CHARTER OAK FIRE
INSURANCE COMPANY,

Defendants,

and

REUBEN JOHNSON & SON, INC.;;
RJS CONSTRUCTION GROUP, LLC,

Defendants and Third-Party Plaintiffs,

v.

CITY OF ASHLAND,

Third-Party Defendant.

Case No. 10-CV-41
Judge Robert E. Eaton

Property Damage: 30201
Other – Real Estate: 30405
Other Injunction: 30704

[PROPOSED] ORDER OF PRELIMINARY APPROVAL

All capitalized terms not otherwise defined in this Order shall have the same meaning ascribed to them in the Parties' Class Action Settlement Agreement and Release;

Upon consideration of the Joint Motion for Preliminary Approval of the class-wide settlement and its supporting memorandum, exhibits, and affidavit, and

It appearing that the proposed Agreement is fair and reasonable, and

It further appearing that a class Settlement Notice will be mailed and an opportunity to object will be sent to all class members,

It is therefore this ___ day of _____ 2013:

ORDERED that the Parties' Agreement is preliminarily fair and reasonable;

ORDERED that for purposes of settlement a Settlement Class is certified consisting of the following class:

All persons or entities that own or have owned property or buildings, homes, residences, or other structures located along Highway 2 within the limits of the City of Ashland whose sanitary sewer lateral connects to the sanitary sewer main by means of a Connection and their respective current and former agents, representatives, partners, principals, directors, attorneys, employers, employees, insurers, predecessors, heirs, successors and assigns.

ORDERED that Settlement Class Members shall lodge objections as set forth in the Agreement;

ORDERED that the form and content of the proposed Settlement Notice is adequate, proper, comports with due process and are hereby approved;

ORDERED that Class Counsel shall immediately serve the Settlement Notice on the Settlement Class as set forth in the Agreement;

ORDERED that a final fairness hearing be held on _____, 2013 at the Ashland County Courthouse, 201 W. Main Street, Ashland, WI 54806;

ORDERED that any Settlement Class Member wishing to object to the Agreement must file and serve objections on the Court and counsel of record seven days before Final Fairness Hearing;

ORDERED that counsel for the Parties shall file motion papers for final approval of all terms of the Settlement Agreement no later than fourteen (14) days before the final fairness hearing (_____, 2013); and it is

ORDERED that the *Bayfront* action is stayed pending the Court's ruling on the settlement at the final approval hearing.

Counsel for the Settling Parties are hereby authorized to jointly use all reasonable procedures in connection with approval and administration of the Agreement that are not materially inconsistent with this Order or the Agreement, including making, without further approval of the Court, minor changes to the form or content of the Notice, and other exhibits that they jointly agree are reasonable or necessary.

Honorable Robert E. Eaton
Circuit Court Judge

1374766

EXHIBIT E

ASHLAND COUNTY CIRCUIT COURT

**If you own property along Highway 2 within the City of Ashland,
you may be eligible for relief from a class action settlement.**

A Court authorized this notice. This is not a solicitation from a lawyer.

- The settlement provides injunctive relief in which each affected property's sewer connection will be replaced. In addition, actual damages or costs may be recovered for those who have incurred damage to real or personal property caused by the sewer connection, including loss of use or incurred costs to repair/replace the sewer connection.
- To qualify for the injunctive relief, you must:
 - Own or have owned property along Highway 2 within the City of Ashland, whose sanitary sewer lateral connects to the sanitary sewer main by means of a pipe coupling ("Connection") that was installed as part of the 2008 Wisconsin Department of Transportation project.
- To qualify for recovery of Actual Damages or Costs, you must:
 - Have incurred damage to real or personal property caused by the Connection(s), and submit a claim form.
- Your legal rights are affected whether you act or don't act. Read this notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
SUBMIT A CLAIM FORM	The only way to get money for damage to property.
OBJECT	Write to the Court about why you don't like the settlement.
GO TO A HEARING	Ask to speak in Court about the fairness of the settlement.
DO NOTHING	Get no money, but get the sewer connection replaced. Give up all rights against Short Elliott Hendrickson, Inc.; XL Insurance Company; Reuben Johnson & Son, Inc.; RJS Construction Group, LLC; Charter Oak Fire Insurance Company; and the City of Ashland ("Defendants").

- These rights and options – **and the deadlines to exercise them** – are explained in this notice.
- The Court in charge of this case still has to decide whether to approve the Settlement. Connections will be replaced and payments will be made after the Court approves the Settlement and any appeals are resolved. Payments will only be made if you submit a valid Claim Form that is approved by a Special Master. Please be patient.

QUESTIONS? CALL _____ TOLL FREE

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QUESTIONS? CALL _____ TOLL FREE

BASIC INFORMATION

1. Why did I get this notice package?

You or your business may own a home or other property along Highway 2 within the City of Ashland, whose sanitary sewer lateral connects to the sanitary sewer main by means of a pipe coupling (“Connection”) that was installed as part of the 2008 Wisconsin Department of Transportation project. A class action lawsuit was filed by people who claimed that these Connections, which connect six-inch diameter sanitary sewer lateral pipes to four-inch wyes, were improper. The parties in that case have reached a tentative settlement (“Settlement”) that might affect you.

The Court sent you this notice because you have a right to know about the proposed Settlement of this class action lawsuit, and about your options, before the Court decides whether to approve the Settlement. If the Court approves it and after objections and appeals are resolved, the affected sewer connections will be replaced. In addition, a Special Master will review individual Claim Forms submitted to recover actual damages or costs incurred from property damage caused by the Connections. The Special Master will issue a decision approving, modifying, or denying each claim. You will be informed by Class Counsel about the progress of the Settlement.

This package explains the lawsuit, the Settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

Judge Robert E. Eaton of the Ashland County Circuit Court is overseeing this lawsuit. This lawsuit is known as *Bayfront, LLC, et al. v. Short Elliott Hendrickson, Inc., et al.*, Case No. 10-CV-41.

2. What is this lawsuit about?

Plaintiffs brought suit against Short Elliott Hendrickson, Inc.; XL Insurance Company; Reuben Johnson & Son, Inc.; RJS Construction Group, LLC and Charter Oak Fire Insurance Company after certain sewer connections installed along Highway 2 as part of the 2008 Wisconsin Department of Transportation project allegedly failed. Plaintiffs claimed that improper sewer connections violated construction specifications and the Wisconsin Plumbing Code and resulted in sewage back-ups in homes and businesses. Plaintiffs made claims for negligence, recklessness and intentional disregard of plaintiffs’ rights, public and private nuisance, Minnesota consumer fraud, and other claims. Certain Defendants, but not the Plaintiffs, then sued the City of Ashland (the City of Ashland and the others will be referred to herein as “Defendants”).

Defendants deny any wrongdoing and will continue to vigorously defend this case if the Court does not approve this Settlement. Nevertheless, after lengthy settlement discussions overseen by a retired Minnesota state court judge and by the Wisconsin Circuit Court Judge assigned to this case, the parties agreed to settle this lawsuit without admitting any liability to avoid lengthy and expensive litigation, and to allow the Settlement’s benefits to be distributed to the Class Members as soon as possible.

3. Why is this a class action?

In a class action, one or more people, called Class Representatives, sue on behalf of people who have similar claims. All these people together are called a Class, or individually are called Class Members. One court resolves the issues for all Class Members. Ashland County Circuit Judge Robert E. Eaton is in charge of this class action.

QUESTIONS? CALL _____ TOLL FREE

4. Why is there a settlement?

The Court did not decide in favor of Plaintiffs or Defendants. Instead, both sides agreed to the Settlement without admitting any liability. That way, the cost of trial will be avoided, each affected property's sewer connection will be replaced, and Class Members may recover actual damages and costs for property damage caused by the Connections. The Class Representatives and Class Counsel think the Settlement is best for everyone who owns property along Highway 2 within the City of Ashland, that has a Connection installed during the 2008 Wisconsin Department of Transportation project.

WHO IS IN THE SETTLEMENT

To see if your property's sewer connection will be replaced, or if you will get money from this Settlement, you first have to determine if you are a Class Member.

5. How do I know if I am part of the settlement?

Any person, business or other entity that owns property along Highway 2 within the City of Ashland, whose sanitary sewer lateral connects to the sanitary sewer main by means of a pipe coupling ("Connection") that was installed as part of the 2008 Wisconsin Department of Transportation project is a Class Member unless: you already filed a lawsuit against Short Elliott Hendrickson, Inc.; XL Insurance Company; Reuben Johnson & Son, Inc.; RJS Construction Group, LLC; Charter Oak Fire Insurance Company; or the City of Ashland with regard to the sewer connection and resolved that lawsuit.

If you are a Class Member, that means that you can't sue, continue to sue, or be part of any other lawsuit against the above Defendants.

6. If my sewer connection has not yet failed or caused damage, am I included?

Yes. You don't have to have a known failure of your sewer connection or damage to property to be part of the Settlement. The Class includes all owners of property with Connections as described in the answer to question 1 above, regardless of whether the sewer connection has knowingly failed or caused property damage to date.

7. I'm still not sure if I am included.

If you are still not sure whether you are included, you can call 1-800-_____ and speak with Charles Logsdon. Mr. Logsdon is one of the attorneys representing property owners.

THE SETTLEMENT BENEFITS – WHAT YOU GET

8. What does the settlement provide?

Replacement of Connections

The settlement provides injunctive relief in which each Class Member's sewer connection will be replaced. These Connections will be replaced according to an agreed upon procedure: First, a visual inspection of each

QUESTIONS? CALL _____ TOLL FREE

Class Member's sanitary sewer lateral will be performed to determine whether the lateral is connected to the sanitary sewer main by an improper Connection, described in the answer to question 1 above. Second, an appropriate replacement method will be identified for each Connection. Third, the Connection will be replaced. If business operations must be suspended, or if a homeowner is displaced by the replacement procedure, the Class Member will be reimbursed by the Defendants for necessary costs and expenses.

Claims for Property Damages

In addition to the Injunctive Relief, Class Members may be eligible for a cash payment. Recovery of actual damages or costs is available on a claims-made basis for Class Members who have incurred damage to real or personal property caused by the Connections, and who complete and submit a CLAIM FORM, subject to certain limitations and verification provisions of the Settlement. Class Members must complete and submit a Claim Form by mail, post-marked no later than 30 days from the date their Connection is replaced. A Special Master will review all properly submitted claims and issue a decision approving, modifying, or denying each claim.

A "claims-made basis" means that you will not get a check unless you submit a written claim and you meet the requirements to qualify for an award. The submission of a Claim Form does not guarantee that you will receive benefits. If you do not submit a Claim Form, you will not receive money.

9. Are there any issues that I should be aware of relating to the replacement of the sewer line?

Yes. The State of Wisconsin requires that the defective sewer lines be replaced. In addition, the State is requiring the City of Ashland to enforce laws and ordinances that prohibit storm water, or "clear water," from entering into the sanitary sewer system. If you have an older structure with an illegal storm water connection into your sanitary sewer line, (and likely no sump basket in the structure), the storm water connection will not be reconnected to the sewer line. These structures may require additional work, such as the installation of a sump basket and pump, into the structure to prohibit future water damage.

However, the City will provide financial assistance to you in the event your building has an illegal connection. The City of Ashland recognizes that it must now start the process of requiring all residents within the City of Ashland, not just those part of the lawsuit, to disconnect storm sewer connections from sanitary sewers. The City Council is studying how to help residents fund the costs for disconnecting storm sewer connections, but has not determined exactly how this will be done. This funding mechanism will be available to you by the time your sewer line is replaced, and you will not be treated differently than any other resident in the City of Ashland.

Also, if your building shares an illegal sewer line with another building, it is possible that a new sewer lateral will be required to be installed. Again, the City will provide financial assistance to you, and you will not be treated differently than any other resident in the City of Ashland.

HOW YOU GET A PAYMENT – SUBMITTING A CLAIM FORM

10. How can I get a payment?

To qualify for payment, you must send in a Claim Form. A Claim Form is attached to this Notice. Read the instructions carefully, fill out the form, include all the documents the form asks for, sign it, and mail it **post-marked no later than** _____ to Class Counsel whose addresses are listed in the answer to question 15 below.

QUESTIONS? CALL _____ TOLL FREE

You may be asked for additional documentation. Follow all the instructions on the Claim Form.

11. When would I get my payment?

The Court will hold a hearing on _____ to decide whether to approve the Settlement. If Judge Eaton approves the Settlement, there may be appeals. It's always uncertain whether these appeals can be resolved, and resolving them can take time. Class Members will be informed by Class Counsel about the progress of the Settlement. Please be patient.

EXCLUDING YOURSELF FROM THE SETTLEMENT

12. How do I get out of the settlement?

All owners of property along Highway 2 within the City of Ashland, that has a sewer connection installed during the 2008 Wisconsin Department of Transportation project, are part of this Settlement. The State of Wisconsin, through the Department of Safety and Professional Services, has mandated that your sewer lateral is replaced.

THE LAWYERS REPRESENTING YOU

13. Do I have a lawyer in this case?

The Court appointed the law firms of Larson • King, LLP and Thibodeau, Johnson & Feriancek, PLLP to represent you and other Class Members. Together, the lawyers are called Class Counsel. You will not be charged for these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense.

14. How will the lawyers be paid?

Class Counsel will ask the Court for an award of attorneys' fees and costs up to \$367,000.00, plus a payment of \$5,000 each to the Class Representatives. The Court may award less than these amounts. Defendants will separately pay the attorneys' fees and expenses that the Court awards -- the fees and expenses will not come out of the money available for recovery of actual damages or costs to Class Members who have incurred damage to real or personal property caused by the Connections. Defendants have agreed not to oppose these fees and expenses.

OBJECTING TO THE SETTLEMENT

You can tell the Court that you don't agree with the Settlement or some part of it.

15. How do I tell the Court that I don't like the settlement?

If you're a Class Member, you can object to the Settlement if you don't like any part of it. You can give reasons why you think the Court should not approve it. The Court will consider your views. To object, you must send a letter saying that you object to the settlement of *Bayfront, LLC v. Short Elliott Hendrickson, Inc.* Be sure to include your name and signature, your current address and telephone

QUESTIONS? CALL _____ TOLL FREE

number, the address of the property(ies) that may have an affected sewer connection, the reasons you object to the settlement, whether or not you intend to appear at the Final Fairness Hearing, and, if so, a copy of any documents you intend to use at the Final Fairness Hearing. Mail the objection to these different places **post-marked no later than** _____;

CLASS COUNSEL	COUNSEL FOR RJS	COUNSEL FOR SEH
T. Joe Snodgrass Kelly A. Lelo Larson • King, LLP 2800 Wells Fargo Place 30 East 7th Street St. Paul, MN 55101 Jerome D. Feriancek Jr. Thibodeau, Johnson & Feriancek, PLLP 800 Lonsdale Building 302 West Superior Street Duluth, MN 55802	Nicholas Ostapenko Roy Christensen Michelle Miller Johnson, Killen & Seiller, PA 800 Wells Fargo Center 230 West Superior Street Duluth, MN 55802	Mark J. Heley Stephen F. Buterin Heley, Duncan & Melander, PLLP 8500 Normandale Lake Blvd. Suite 2110 Minneapolis, MN 55437

COUNSEL FOR XL	COUNSEL FOR ASHLAND	
	Scott W. Clark Clark & Clark 214 West Main Street, P.O. Box 389 Ashland, WI 54806-1606	

16. What does objecting mean?

Objecting is simply telling the Court that you don't like something about the Settlement. You can ask the Court to reject the entire Settlement or request changes to parts of the Settlement.

THE COURT'S FAIRNESS HEARING

The Court will hold a hearing to decide whether to approve the Settlement. You may attend and you may speak, but you don't have to.

17. When and where will the Court decide whether to approve the settlement?

The Court will hold a Final Fairness Hearing at _____ on _____ at the Ashland County Courthouse, 201 W. Main St., Room 307, Ashland, WI 54806. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. If there are any objections, the Court will consider them. Judge Eaton will listen to people who have asked to speak at the hearing. The Court may also decide how much to pay Class Counsel and to reimburse their expenses. After the hearing, the

QUESTIONS? CALL _____ TOLL FREE

Court will decide whether to approve the Settlement. We do not know how long these decisions will take.

18. Do I have to come to the hearing?

No. Class Counsel will answer questions Judge Eaton may have. But, you are welcome to come at your own expense. If you send an objection, you don't have to come to Court to talk about it. As long as you mailed your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it's not necessary.

IF YOU DO NOTHING

19. What happens if I do nothing at all?

If you do nothing, you will get no money from this Settlement, but your sewer connection will still be replaced. Because this case resolves all claims you have against Short Elliott Hendrickson, Inc.; XL Insurance Company; Reuben Johnson & Son, Inc.; RJS Construction Group, LLC; Charter Oak Fire Insurance Company; and the City of Ashland that relate to your sewer connection, you won't be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against the Defendants above and others about the legal issues in this case, ever again.

GETTING MORE INFORMATION

20. Are there more details about the settlement?

This notice summarizes the proposed Settlement. More details are in a Settlement Agreement. You can review a copy of the Settlement Agreement online at www._____.com.

21. How do I get more information?

You can call Charles Logsdon at 1-_____ toll free or write to Thibodeau, Johnson & Feriancek, 800 Lonsdale Building, 302 West Superior Street, Duluth, MN 55802 to get answers to questions about the Settlement, plus other information to help you determine whether you are a Class Member and whether you are eligible for a payment.

QUESTIONS? CALL _____ TOLL FREE

EXHIBIT F

STATE OF WISCONSIN

CIRCUIT COURT

ASHLAND COUNTY

BAYFRONT, LLC, and MJH PROPERTIES, LLC, on
behalf of themselves and all others similarly situated,

Plaintiffs and Proposed Class
Representatives,

vs.

SHORT ELLIOTT HENDRICKSON, INC., XL
SPECIALTY INSURANCE COMPANY; REUBEN,
JOHNSON & SON, INC.; RJS CONSTRUCTION
GROUP, LLC; and CHARTER OAK FIRE
INSURANCE COMPANY,

Defendants,

and

REUBEN JOHNSON & SON, INC.;;
RJS CONSTRUCTION GROUP, LLC,

Defendants and Third-Party Plaintiffs,

v.

CITY OF ASHLAND,

Third-Party Defendant.

Case No. 10-CV-41
Judge Robert E. Eaton

Property Damage: 30201
Other – Real Estate: 30405
Other Injunction: 30704

[PROPOSED] ORDER OF FINAL APPROVAL AND FINAL JUDGMENT

All capitalized terms not otherwise defined in this Order shall have the same meaning ascribed to them in the Parties' Class Action Settlement Agreement and Release;

Upon consideration of the Joint Motion for Final Approval of the Agreement and its supporting memorandum, exhibits, and affidavit, and

It appearing that the proposed Agreement is fair and reasonable, and

It further appearing that the Settlement Notice and an opportunity to object was sent as directed to all class members, and that no class members objected to the terms of the Agreement, including the service payments to the Class Representatives or the attorneys' fees and costs,

It is therefore this ___ day of _____ 2013;

ORDERED that the Parties' Agreement is fair and reasonable and is hereby approved;

ORDERED that the form and content of the Settlement Notice set forth in the Joint Motion for Preliminary Approval was adequate, proper, comported with due process;

ORDERED that Plaintiffs' request for service payments of \$5,000 for each of the Class Representatives are approved;

ORDERED that Class Counsel's attorneys' fees and costs in the amount of \$367,000 are reasonable and approved;

ORDERED that payment of attorneys' fees, costs and service payments shall be transmitted to Class Counsel as provided in the Settlement Agreement;

ORDERED that pursuant to the Agreement paragraph ___, final judgment is entered with respect to the approval of all terms of the Settlement Agreement, with respect to the merits and with prejudice to the individual or Class claims released hereunder. There is no just reason for delay in the entry of this judgment, and the time to appeal any aspect of the final approval of the Agreement shall commence forthwith; and

ORDERED that the Court retains jurisdiction for purposes of post-judgment enforcement of the Agreement as set forth in the terms of the Settlement Agreement.

LET JUDGMENT BE ENTERED ACCORDINGLY

Honorable Robert E. Eaton
Circuit Court Judge