

**LEGAL NOTICE
NOTICE OF CLASS ACTION**

IF YOU PAID STORMWATER CHARGES TO THE CITY OF MADISON HEIGHTS AT ANY TIME BETWEEN JULY 1, 2016 AND JUNE 30, 2021, AND ARE A CURRENT WATER, SEWER, OR STORMWATER CUSTOMER OF THE CITY YOUR ACCOUNT WILL BE CREDITED YOUR PRO RATA SHARE FROM THE SETTLEMENT FUND.

IF YOU PAID STORMWATER CHARGES TO THE CITY OF MADISON HEIGHTS AT ANY TIME BETWEEN JULY 1, 2016 AND JUNE 30, 2021, ARE NO LONGER A WATER, SEWER, OR STORMWATER CUSTOMER OF THE CITY AND WISH TO RECEIVE A CASH REFUND, IF YOU QUALIFY FOR SUCH REFUND, YOU MUST SUBMIT THE ATTACHED CLAIM FORM ON OR BEFORE OCTOBER 2, 2021 AND MAIL IT TO CITY OF MADISON HEIGHTS SETTLEMENT ADMINISTRATOR, 1650 ARCH STREET, SUITE 2210, PHILADELPHIA, PA 19103, OR EMAIL THE COMPLETED FORM TO INFO@MADISONHEIGHTSSTORMWATERSETTLEMENT.COM, OR SUBMIT AN ELECTRONIC FORM ONLINE AT WWW.MADISONHEIGHTSSTORMWATERSETTLEMENT.COM.

IN ORDER TO RECEIVE A CASH REFUND AS PART OF THIS CLASS ACTION SETTLEMENT, YOU ARE REQUIRED TO SUBMIT A WRITTEN CLAIM. IF YOU DO NOT HAVE A WATER AND SEWER BILLING ACCOUNT WITH THE CITY OF MADISON HEIGHTS, YOU ARE NOT ELIGIBLE TO RECEIVE YOUR PRO RATA SHARE IN THE FORM OF A CREDIT. YOU MUST SUBMIT A WRITTEN CLAIM IN ORDER TO RECEIVE ANY PORTION OF THE SETTLEMENT FUND.

PLEASE RETAIN THIS NOTICE

STATE OF MICHIGAN
OAKLAND COUNTY CIRCUIT COURT

JOSEPH G. GRIFFIN, and
CHRISTINA GRIFFIN, individually and
as representatives of a class of similarly-
situated persons and entities,

Plaintiffs,

v.

CITY OF MADISON HEIGHTS,
a Michigan municipal corporation,

Defendant.

Case No. 2020-181196-CZ
Hon. Yasmine I. Poles

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Sonal Hope Mithani (P51984)
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(734) 668-7786
Attorneys for Defendant

TO: All persons and entities who/which have paid the City of Madison Heights (the “City”) or incurred the Stormwater Charge at any time during the class period, which is from July 1, 2016 through the present.

You are hereby notified that a proposed settlement in the amount of \$ 2,600,000 has been reached with the City in a class action lawsuit pending in Oakland County Circuit Court titled *Griffin. v. City of Madison Heights*, Case No. 2020-181196-CZ, presiding Judge Yasmine I. Poles (the “Lawsuit”), challenging the mandatory stormwater service charge the City imposes upon owners of real property to recover certain costs assessed upon the City by Oakland County. The amounts Plaintiffs and the Class paid or incurred for stormwater disposal between July 1, 2016 and June 30, 2021 shall be referred to herein as the “Stormwater Charges.”

Plaintiffs contend that: (a) the Stormwater Charge is not a proper user fee but a tax wrongfully imposed by the City to raise revenue in violation of the Headlee Amendment to the Michigan constitution of 1963; (b) the Stormwater Charge violates the Prohibited Taxes By Cities And Villages Act, MCL 141.91 because the Stormwater Charge is not an ad valorem tax, but is a tax imposed, levied, or collected after January 1, 1964; (c) the City has been unjustly enriched by the collection and retention of the Stormwater Charges and/or is required to refund the Stormwater Charges under a theory of assumpsit; and (d) that Plaintiffs and those similarly situated have been harmed by the City’s collection and retention of Stormwater Charges.

The Plaintiffs sought a judgment from the Court against the City that would order and direct the City to refund all Stormwater Charges to which Plaintiffs and the class are entitled and any other appropriate relief. The City maintains that the City’s imposition of the Stormwater Charge is proper and lawful. Thus, the City denies Plaintiffs’ claims in their entirety. The City specifically denies that the Stormwater Charge is a tax, denies that it has been unjustly enriched by collecting the Stormwater Charge, and further denies that it retains the Stormwater Charge. The City denies that the Plaintiffs or any other property owners that are similarly situated have been harmed by the City’s collection of the Stormwater Charges. The City contends that it should prevail in the lawsuit and denies that the Plaintiffs and the Class are entitled to a refund of the City’s lawfully-assessed Stormwater Charges. **The Court has made no rulings concerning the merits of the lawsuit at this time.**

On February 25, 2021, Judge Poles entered an Opinion and Order certifying the lawsuit as a class action. You are receiving this notice because the City’s records indicate that an individual or entity owning or residing at this property address paid or incurred the City’s Stormwater Charge at some time after July 1, 2016 and are, therefore, a member of the class.

For settlement purposes, the parties have agreed that the Class will consist of all persons or entities who/which paid or incurred the Stormwater Charges between July 1, 2016 and June 30, 2021 (the “Class”). The Settlement Agreement is intended to settle all of the claims of the Class.

The principal terms of the Settlement Agreement are as follows:

For the purposes of the proposed Settlement, the City expressly denies any and all allegations that it acted improperly, but, to avoid litigation costs, the City has agreed to create a settlement fund in the aggregate amount of Two Million Six Hundred Thousand Dollars (\$2,600,000) for the benefit of the Class (the "Settlement Amount"). The Settlement Amount will be utilized, with Court approval, to provide credits and refunds to the Class, and to pay Class Counsel an award of attorneys' fees, the total amount of which shall not exceed 33% of the Settlement Amount, and expenses for the conduct of the litigation.

The "Net Settlement Fund" is the Settlement Fund less the combined total of: (a) attorneys' fees and any incentive award to the Class representative awarded by the Court; and (b) Class Counsel and Claims-Escrow Administrator expenses reimbursed pursuant to the Settlement Agreement. The Net Settlement Fund shall be used to compensate Class Members as described below.

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.

All Class Members may participate in the Settlement by receiving from the Net Settlement Fund a Credit or a cash distribution Refund (as defined in Paragraph 10 of the Settlement Agreement) that reflects the Class Member's pro rata share of the Net Settlement Fund ("Pro Rata Share"). The size of each Class Member's Pro Rata Share shall be determined by (1) calculating the total amount of Charges the Class Member paid during the Class Period and then (2) dividing that number by the total amount of Charges the City collected from Class Members during the Class Period and then (3) multiplying that fraction by the amount of the Net Settlement Fund.

Class Members who are Class Members as of June 30, 2021 and remain current water and sewer customers of the City as of 60 days prior to the hearing on the final approval of the settlement (as described in Paragraph 25 of the Settlement Agreement) are eligible to receive a Credit to their water, sewer and stormwater utility accounts. To qualify to receive a Refund from the Net Settlement Fund, Class Members must no longer be water, sewer or stormwater customers of the City and must submit sworn claims (the "Claims") which identify their names, addresses, and the periods of time in which they paid the Stormwater 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 are required to submit those claims no later than 60 days prior to the hearing on the final approval of this settlement, as described in Paragraph 25 of the Settlement Agreement (the "Claims Period"). Only those Claiming Class Members who submit timely and completed Claims are eligible to receive a Refund. Any Class Members who have unpaid balances for water, sewer or stormwater charges that are more than 30 days past due as of June 30, 2021 will have their Credits reduced by the amount of the past due balance. No later than 30 days after the Settlement Date, the Claims-Escrow Administrator will distribute the amount of a Refund, if any, to the Claiming Class

Member. Also, no later than 30 days after the Settlement Date, the City will distribute and apply the Credits owed to Class Members under the Settlement Agreement. The Credit will reflect the amount of the Class Member's Pro Rata Share, which will be applied first to any unpaid charges in the Class Member's water, sewer and stormwater utility account and then against any future charges that accrue in in the Class Member's water, sewer and stormwater utility account until the Credit is exhausted.

It is very important for any Class Member who paid Stormwater Charges but who is no longer a water, sewer or stormwater customer of the City as of 60 days prior to the hearing on the final approval of the settlement as described in Paragraph 25 of the Settlement Agreement to submit a Claim. The only way for Class Members who are no longer water, sewer or stormwater customers of the City to receive a portion of the Net Settlement Fund is for them to file Claims.

The City may not include any discrete component of cost in its water and sewer rates or its stormwater rates to reimburse itself for the amounts used to finance the Settlement Fund.

The Class Members shall release the City as provided below.

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 City. This proposed settlement should not be interpreted, in any way, as suggesting that the claims alleged against the City have legal or factual merit. The City has challenged the validity of Plaintiffs' claims. **This request for exclusion must be postmarked no later than October 2, 2021 and mailed to: Kickham Hanley PLLC, 32121 Woodward Avenue, Suite 300, Royal Oak, Michigan 48073 or emailed to khtemp@kickhamhanley.com.**

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 City 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 via a Refund or Credit. **Again, however, the only way for Class Members who are no longer water, sewer or stormwater customers of the City to receive a portion of the Net Settlement Fund is for them to file Claims.**

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 City in this Action is a question you should ask your own attorney. Class Counsel cannot and will not advise you on this issue.

Pursuant to the Order of the Court dated July 29, 2021, a Settlement Hearing will be held in the Oakland County Circuit Court, 1200 N. Telegraph Avenue, Pontiac, MI 48340 at 9:00 a.m. on December 1, 2021, to determine whether the proposed Settlement as set forth in the Settlement Agreement dated July 15, 2021, is fair, reasonable, and adequate and should be approved by the Court, whether the Lawsuit should be

dismissed pursuant to the Settlement, whether counsel for Plaintiffs and the Class should be awarded fees and expenses, and whether the Class Representatives should receive an incentive award. At the Settlement Hearing, any member of the Class may appear in person or through counsel, either at a live hearing or an online hearing, 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 October 2, 2021, such Class member serves by first class mail written objections 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) upon each of the following attorneys:

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(248) 544-1500
Attorneys for Plaintiff and the Class

Sonal Hope Mithani
Miller, Canfield, Paddock & Stone PLC
101 N. Main Street, 7th Floor
Ann Arbor, MI 48104
(734) 668-7786
Attorneys for Defendant

and has filed said notice, objections, papers and briefs, as to the settlement with the Clerk of the Oakland County Circuit Court. 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.

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.**

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 in the Agreement, 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 City, and each of its successors and assigns, present and former agents, 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 were or could have been brought in the Lawsuit and/or arise from the beginning of time through December 31, 2021 concerning (1) the City's calculation or assessment of the Stormwater Charges; (2) the components of costs included in the Stormwater Charges; (3) the City's efforts to charge and/or collect Stormwater Charges; and/or (4) the methodology or means employed by the City to fund payment of the stormwater charges that Oakland County assesses upon the City. 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 City on account of any action or cause of action released hereby; (b) none of the claims released under the Release and Covenant Not To Sue has been assigned to any other party; and (c) the Class Member 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.

AGAIN, IF YOU PAID STORMWATER CHARGES TO THE CITY OF MADISON HEIGHTS AT ANY TIME BETWEEN JULY 1, 2016 AND JUNE 30, 2021 AND ARE NO LONGER A WATER, SEWER, OR STORMWATER CUSTOMER OF THE CITY, IN ORDER TO RECEIVE A CASH REFUND AS PART OF THIS CLASS ACTION SETTLEMENT YOU ARE REQUIRED TO SUBMIT A WRITTEN CLAIM. IF YOU QUALIFY FOR SUCH REFUND, YOU MUST SUBMIT THE ATTACHED CLAIM FORM ON OR BEFORE OCTOBER 2, 2021 AND MAIL IT TO CITY OF MADISON HEIGHTS SETTLEMENT ADMINISTRATOR, 1650 ARCH STREET, SUITE 2210, PHILADELPHIA, PA 19103, OR EMAIL THE COMPLETED FORM TO INFO@MADISONHEIGHTSSTORMWATERSETTLEMENT.COM, OR SUBMIT AN ELECTRONIC FORM ONLINE AT WWW.MADISONHEIGHTSSTORMWATERSETTLEMENT.COM.

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