

**THE CIRCUIT COURT OF ST. LOUIS COUNTY
STATE OF MISSOURI**

OLIVER LATTA, <i>et al.</i> ,)	
)	
Plaintiffs,)	
v.)	Cause No. 16SL-CC01881
)	
HANNIBAL BOARD OF PUBLIC WORKS,)	Division: 10
<i>et al.</i> ,)	
)	
Defendants.)	

**MEMORANDUM IN SUPPORT OF JOINT MOTION FOR PRELIMINARY
APPROVAL OF CLASS ACTION SETTLEMENT**

This complex environmental class action was filed more than two years ago, underwent significant preliminary practice and extensive discovery, and now the Settling Parties, as defined below, hereby notify this Court that Plaintiffs and Defendants City of Hannibal and the Hannibal Board of Public Works (“Hannibal Defendants”), (collectively the “Settling Parties”) have agreed to a class action settlement. *See* Settlement Agreement attached hereto as Exhibit 1 (the “Settlement”). The Settlement offers critical injunctive relief and funds for future medical monitoring to approximately 25,000 Class Members who live in Marion and Ralls counties and consume water distributed by the Hannibal Defendants. Defendants have agreed to 1) invest a minimum of \$5,000,000.00 into investigating and implementing water quality improvements, which improvement will include a focus on reducing or replacing chloramination as a primary disinfection method; and 2) to establish a fund to allow individuals to seek reimbursement of costs for medical testing designed to aid in the early detection of certain medical conditions associated with the ingestion of TTHMs.

The proposed settlement was negotiated in good faith, by experienced counsel who vigorously advocated for their respective clients. Negotiations extended over several months. The

Settlement removes the delay, risk of non- recovery, and expense to the Class members, inherent in further litigation.

II. CERTIFICATION OF THE CLASS FOR SETTLEMENT PURPOSES

In Missouri, preliminary approval of class action settlements is substantially guided by the Court of Appeals decision in *State ex rel. Byrd v. Chadwick*, 956 S.W.2d 369 (Mo. App. W.D. 1997). The Court of Appeals has required a preliminary determination, based on the record before it, as to whether a settlement class should be tentatively certified, pending final approval at a fairness hearing.

To grant preliminary approval of a class action settlement, the Court must determine whether it should preliminarily approve certification of the settlement Classes. Regarding the settlement of class actions, Rule 52.08(e) states that “[a] class action shall not be dismissed or compromised without the approval of the court, and notice of the proposed dismissal or compromise shall be given to all members of the class in such manner as the court directs.” Mo. Sup. Ct. R. 52.08.

The primary difference between certification of a class for litigation purposes, as compared to certification for purposes of settlement only, is that the “manageability” concerns at issue in litigation classes under Rule 52.08(b)(3)(D) disappear (because the case is not to be tried) and the “adequacy of representation” requirement of Rule 52.08(a)(4) is more closely scrutinized. *Amchem Products, Inc. v. Windsor*, 521 U.S. 591, 621 (1997); *State ex rel. Byrd v. Chadwick*, 956 S.W.2d 369, 383 (Mo. Ct. App. W.D. 1997).

The Settling Parties stipulate that this action is certifiable as a class action for settlement purposes only pursuant to Missouri Rule 52.08(a) in that:

- A. The settlement Classes are so numerous that joinder of all members is impracticable. The Classes consist of thousands of members;
- B. There are questions of law or fact common to the settlement Classes. These include whether:
 - i. Defendants provided water through their distribution system to the Classes with elevated levels of TTHMS;
 - ii. Defendants' conduct caused the elevated levels of TTHMS;
 - iii. Plaintiffs and the Class were consuming water that was not fit for consumption;
 - iv. Defendants were in breach of an implied warranty;
 - v. Defendants were strictly liable for distributing defective water; and
 - vi. Plaintiffs and the Class have need for medical monitoring;
- C. The claims of the Class representatives are typical of the claims of the settlement Classes. The Lead Plaintiffs consumed water distributed by HBPW and the City of Hannibal, and Plaintiffs seek to have clean water fit for consumption distributed to them; and to have access to medical monitoring for early detection of latent disease; and
- D. The Class representatives will fairly and adequately protect the interests of the settlement Class. The Class representatives have been involved in this litigation and have no interests adverse to the Class. Further, the Class is represented by attorneys from Nidel & Nace, PLLC and German Rubenstein, LLP. Both firms have extensive experience in complex environmental actions and class actions.

The Settling Parties also stipulate, for settlement purposes only, that within the meaning of Rule 52.08(b)(3):

- A. The prosecution of separate actions by or against individual members of the settlement Class would create a risk of inconsistent or varying adjudications with respect to individual members of the settlement Class;
- B. Questions of law or fact common to members of the settlement Class predominate over any questions affecting individual members; and
- C. A class action is superior to other available methods for the fair and efficient adjudication of the controversy. This is true in this case because the typical damages of an individual is too small to justify individual actions by Class members; and pertinently individual actions could not have afforded the injunctive relief agreed to by this settlement.
- D. Plaintiffs request that the Court appoint Oliver Latta, Vickie Brooks, Crystal Stephens, and Christine Stolte to serve as the Lead Plaintiffs and that the Court appoint Christopher T. Nidel and Jonathan B. Nace of Nidel and Nace, PLLC; and Steven German and Joel Rubenstein of German Rubenstein, LLP, and Dan Ryan of the Law Offices of Daniel T. Ryan, LLC as Lead Class Counsel.

The Settling Parties have agreed, and request that the Court's preliminary and final approval orders reflect that, if, for any reason, either the Settlement Agreement terminates, the Court fails to grant preliminary or final approval of the Settlement as provided in the Settlement Agreement, or the Court's approval of the Settlement is reversed or rendered void as a result of an appeal, then: (a) the Settlement Agreement shall be considered null and void; (b) the certification of the Class for settlement purposes, as requested herein, shall be vacated and any findings regarding the certification shall not be used or admissible for any purpose in this action; and (c)

the Settling Parties shall stand in the same position, without prejudice, as if the Settlement Agreement had neither been entered into nor filed with the Court.

III. THE SETTLEMENT IS PRESUMPTIVELY FAIR, ADEQUATE, AND REASONABLE

This Court has the responsibility to review the Settlement Agreement in order to determine whether it is presumptively fair, adequate and reasonable. In *State ex rel Byrd*, the Court noted factors that are considered when determining whether a settlement is fair, reasonable and adequate:

In determining whether the settlement is fair, reasonable, and adequate under Rule 23(e), numerous courts have noted that a trial court should consider: (1) the existence of fraud or collusion behind the settlement; (2) the complexity, expense, and likely duration of the litigation; (3) the stage of the proceedings and the amount of discovery completed; (4) the probability of plaintiffs' success on the merits; (5) the range of possible recovery; and (6) the opinions of class counsel, class representatives and absent class members (citations omitted).

Byrd, 956 S.W.2d at 378 n. 6. Each of these factors is discussed below, after the details of the settlement are presented.

A. THE CLASS MEMBERS' CLAIMS AND RELEVANT HISTORY

Plaintiffs filed the Class Action Petition and Amended Class Action Petition on behalf of putative classes of all persons who paid for or consumed water anytime between September 2011 and February 2016. The Amended Petition asserted claims against The City of Hannibal and the Hannibal Board of Public Works for: Breach of Contract; Unjust Enrichment; Breach of Implied Warranty of Merchantability—Fitness for Human Consumption; Negligence; Strict Liability—Manufacturing Defect; and Strict Liability—Ultra-Hazardous Condition.

After extensive preliminary motions practice, including oral argument on two occasions, Plaintiffs were permitted to continue with claims against the Hannibal Defendants for Breach of Implied Warranty; Negligence; Unjust Enrichment; and Strict Liability—Manufacturing Defect. The parties then engaged in significant and adversarial, yet professional, discovery.

The Hannibal Defendants produced over 120,000 pages in response to comprehensive requests for production of documents. Proposed Class Counsel then deposed several members of the Hannibal Board of Public Works regarding the treatment processes and sales of water to the proposed Class Members. Each of the proposed Class Representatives was deposed.

During the time since depositions began, Plaintiffs' Counsel and Counsel for the Hannibal Defendants engaged in discussions about a possible settlement of the Litigation. Counsel for the Hannibal Defendants confirmed there is no insurance providing indemnity for the claims being asserted in the case against the City of Hannibal and Hannibal Board of Public Works and that the risks of having to pay a judgement in this litigation could potentially cause great financial harm to the City of Hannibal and Hannibal Board of Public Works, thereby leaving plaintiffs with no viable remedy. The Settling Parties began discussing ways to *address and remedy* the gravamen of the action: namely, improving the quality of water provided by HBPW. As a result, in exchange for the releases provided by the Plaintiffs and the Settlement Class, the Hannibal Defendants agreed to invest a minimum of \$5,000,000.00 into investigating and implementing water quality improvements, which improvement will include a focus on reducing or replacing chloramination as a primary disinfection method. The Settling Parties further agreed to certain testing for the early detection of latent disease. Specifically, the Hannibal Defendants have agreed to establish a fund of no less than \$205,000.00 that will permit class members to obtain urinalysis for blood and urine cytology. These tests will screen for early detection of bladder and other urological cancers. The Settlement will finally and forever terminate the Litigation and all Released Claims against the Hannibal Defendants.

B. THE PROPOSED SETTLEMENT

1. The Settlement Classes. The Classes in this case are defined as:

RATE-PAYER CLASS:

All current residents of the State of Missouri who, at any time between September 1, 2011 and February 28, 2016, were billed and paid for water provided by the City of Hannibal, Missouri public water supply system.

MEDICAL-MONITORING CLASS:

All current residents of the State of Missouri who, for a minimum period of three years, between the dates of September 2011 and February 2016, resided in the City of Hannibal, and drank and/or bathed in water provided by the City of Hannibal, Missouri public water supply system.

2. The Settlement Terms

The terms of the settlement are that the Hannibal Defendants will 1) commit a minimum of \$5,000,000 into investigating and implementing water quality improvements, which improvement will include a focus on reducing or replacing chloramination as a primary disinfection method ; and 2) provide the class with monetary funds to reimburse costs for tests for specific illnesses. The specific terms of the settlement are set forth in the attached Settlement Agreement (Exhibit 1).

A. Upon preliminary approval by the Court, the Hannibal Defendants will provide notice via direct First Class Mail to the last known addresses of potential Class Members.

B. The Notice shall refer to the general terms of the Settlement set forth in the Agreement, the date of the Settlement Hearing, the rights that will be provided and extinguished under the Agreement and shall direct the Settlement Class Members to a website, toll free phone number, and address for purposes of obtaining a copy of the claim form and other information.

C. Class members can submit a claim form either by mail or through the settlement website (*see* Section V, *infra*). To be eligible for reimbursement, a Class member must make a claim within the claims period of 60-days from the Fairness Hearing.

D. Upon filing a valid and timely claim form, and upon approval of the Settlement by the court, members of the Settlement Class will receive a pro rata payment for reimbursement based on the total dollar value of all approved claims, not to exceed the amount of the total settlement fund. The claims administrator will distribute reimbursement checks to those Settlement Class members who filed a valid and timely claim.

E. Defendants will pay all of the costs of claims administration.

F. Attorneys' fees will be paid to Lead Class Counsel by Defendants separate and apart from the medical monitoring fund available to the Class. To the extent funds are remaining in the medical monitoring fund, the claims administrator will make payment to Lead Class Counsel for all remaining funds as an additional payment of Attorneys' fees

IV. NOTICE OF THE CLASS ACTION SETTLEMENT AND THE NOTICE PLAN

Missouri Rule of Civil Procedure 52.08(e) governs the settlement of class actions and provides, among other things, that notice of the proposed compromise shall be given to all members of the class as the court directs. Under Missouri Rule of Civil Procedure 52.08(e), the notice must satisfy due process and, thus, must "fairly apprise the prospective members of the class of the terms of the settlement and of the options that are open to them in connection with [the] proceedings." *State ex rel. Byrd v. Chadwick*, 956 S.W.2d 369, 385 (Mo. App. 1997) (citing, *inter alia*, *Grunin v. Int'l House of Pancakes*, 513 F.2d 114, 122 (8th Cir. 1975)). "The information need only be general in nature and can refer the putative class members to the court or counsel for detailed information." *Id.* (citing *Grunin*, 513 F.2d at 122). The notice must be the "best notice practicable under the circumstances, including individual notice to all members who can be

identified through reasonable effort.” Mo.R.Civ.P. 52.08(c)(2)(B); *Mullane v. Cent. Hanover Bank & Trust Co.*, 339 U.S. 306, 315 (1950).

The Notice of Proposed Class Action Settlement and claims process is sufficient because First Class Mail is the same method of notice used to provide invoices to every member of the proposed Rate Payer Class, and will at a minimum notify every household where an individual may have a medical monitoring claim. The notice provides multiple methods of receiving additional details regarding the settlement, including online and via a toll-free number. Class Members are permitted an opportunity to opt-out or object to the Settlement. These sources provide the information necessary for deciding whether to opt out or remain a member of the Class and be bound by a final judgment, or direct the recipient to a convenient location to obtain more detailed information. The notice process fairly apprises the Class members of the terms of the Settlement, the formula for computing individual recoveries, the options that are open to them in connection with the proceedings and refers them to the Court or Class Counsel for further detailed information. Accordingly, direct notice is the best notice practicable under the circumstances, and constitutes due and sufficient notice of this Order to all persons affected by and/or entitled to participate in the Settlement, in full compliance with the notice requirements of Mo. R. Civ. P. 52.08.

The claims method is straightforward, unambiguous, and will be easily understood by the Class members who must complete the claim form, either by submitting it online or printing, filling out and returning it to the Claims Administrator in order to obtain any recovery under the Settlement. This process will allow the parties to accurately and efficiently review claims submitted by the Class members. Accordingly, the claim form and notice should be approved for use as part of the Settlement.

V. SETTLEMENT ADMINISTRATION

The Hannibal Defendants shall be responsible, subject to the Court's approval, for distributing notice to the Class, by U.S. mail, to the last known addresses of each settlement Class member maintained by the Hannibal Defendants. The claims administrator shall be responsible for creating and administering the class action settlement website where Class members can submit claims and the automated telephone line where Class members can obtain more information about this settlement. All costs of preparing and mailing the Class notice shall be paid by the Hannibal Defendants above and beyond any relief provided to Class and any fees paid to Lead Counsel.

No later than seven (7) days prior to the Final Approval Hearing, the Hannibal Defendants shall provide notice to Class Counsel, attesting that notice was disseminated in a manner consistent with the terms of the Settlement Agreement.

A Class member who, during the claims period, submits a valid and complete claim form, shall be deemed to have submitted adequate proof, subject to verification by the claims administrator. After the expiration of the claims period, the claims administrator will submit a report to counsel for the parties regarding the basis for rejection of any claims (the "Rejected Claims"). Any disputes over Rejected Claims shall be resolved between the parties, or if they cannot, shall be brought to this Court for consideration.

VI. CLASS MEMBER RIGHTS

The Class members' rights as set forth in the Settlement Agreement are summarized below.

A. EXCLUSIONS ("OPT-OUTS") BY CLASS MEMBERS

The claims administrator shall be responsible for providing a mailing address for the purpose of receiving requests for exclusion. Class Members may submit exclusions within thirty (30) days after completion of Notice. The claims administrator shall also be responsible for

reporting the names of the opt-outs to the parties within 10 days after the conclusion of the period for exclusions set out in the preliminary approval order.

Any opt-out request shall state the name, address and telephone number of the person requesting exclusion and contain a clear statement communicating that such person elects to be excluded from the Settlement, does not wish to be a settlement Class member and elects to be excluded from any judgment entered pursuant to the Settlement Agreement.

Any settlement Class member who submits a timely opt-out notice may not make a claim or file an objection to the Settlement and shall be deemed to have waived any rights or benefits under the Settlement Agreement.

B. OBJECTIONS BY SETTLEMENT CLASS MEMBERS

Each settlement Class member wishing to object to the fairness, reasonableness or adequacy of the Settlement shall submit a written notice of his objection that complies with the requirements of Paragraph 36 of the Settlement Agreement. Any notice of objection shall be sent by U.S. first-class mail and be postmarked within thirty (30) days after completion of Notice. Objections shall state the objector's name, address, telephone number and shall also include (a) a written notice of objection, including a written notice of the objector's intention to appear at the fairness hearing if they intend to do so; (b) a written statement of the position the objector will assert; (c) the reasons for the objector's position; and (d) copies of any papers, briefs or other matter the objector wishes for the Court to consider and sufficient information to confirm membership in a Settlement Class.

The agreed-upon procedures and requirements for filing objections in connection with the Final Approval Hearing are intended to ensure the efficient administration of justice and the orderly presentation of any settlement Class member's objections to the Settlement Agreement, in

accordance with such settlement Class member's due process rights. The Preliminary Approval Order and Class notice procedures shall require all settlement Class members who have any objections to send objections to the Clerk of the Court, and serve by mail or hand delivery such objection upon Class counsel and Hannibal Defendants' counsel so that such timely objections may be heard at the Final Approval Hearing. Any Class Members who fail to mail such objections within the time and manner specified above shall be deemed to have waived any objection to the Settlement.

VII. DISCUSSION OF FACTORS CONSIDERED BY MANY COURTS PRIOR TO APPROVING SETTLEMENT

The factors most commonly considered by courts prior to approval of settlement are (1) the existence of fraud or collusion behind the settlement; (2) the complexity, expense, and likely duration of the litigation; (3) the stage of the proceedings and the amount of discovery completed; (4) the probability of Plaintiffs' success on the merits; (5) the range of possible recovery; and (6) the opinions of class counsel, class representatives and absent class members. *Byrd*, 956 S.W.2d at 378 n.6. In this case, each factor weighs in favor of approval of settlement.

1. Lack of Fraud or Collusion Behind Settlement

As evidenced by the terms of this settlement, the docket before the court, and the amount of time and resources expended during discovery, the litigation was hard fought. The Class receives the most valuable remedy they could hope for: the production of clean water. They also are able to avoid the passing on of extraneous expense to them by the terms of the agreement. The Class also receives an opportunity to seek and receive potentially full reimbursement, but at a minimum partial compensation for early detection of latent disease. However, by compromise, Defendants avoid the potential of being faced with a large verdict against them. This compromise

is reasonable, but this perspective was gained only after hard fought, adversarial litigation for multiple years.

2. The Complexity, Expense, and Likely Duration of Litigation

Environmental cases, especially those seeking medical monitoring, are complex, involving issues of class action procedure, contract, tort, and warranty law. These cases, and this case specifically, also require highly technical understanding of water treatment processes, water distribution processes, and medical disciplines including oncology and urology. To date, they have required extensive research, briefing, motions, discovery, and prolonged litigation. If this case was to continue, it would likely involve not only more of the above, but also ongoing voluminous discovery, depositions, and other preparations with a likelihood of prolonged litigation of several more years to resolve. This settlement avoids the delay and the uncertainties of further litigation.

3. Stage of Proceedings and Discovery

The case was in the process of discovery having completed factual discovery and moving into the phase of expert designation and depositions. Fact discovery was comprehensive and extensive. Defendants produced over 120,000 pages of documents regarding the water treatment process, water distribution process, notice process, public meetings, and internal discussions regarding the formation of TTHMs and efforts to remove them. These documents were reviewed in full, and used during depositions of corporate representatives for the City of Hannibal and the Hannibal Board of Public Works.

Plaintiffs took multiple corporate representative depositions of the Defendants. Plaintiffs, through counsel, also took depositions of several individuals who worked at the Board of Public Works with direct knowledge of the water treatment and distribution systems. So too, Defendants deposed each of the Class Representatives.

As a result, Plaintiffs and Defendants were willing and able to designate experts based on the record provided at the time that settlement was discussed.

This has allowed the parties to assess the likely results of further litigation and the strengths and weaknesses of their respective cases. For these reasons, this case is sufficiently developed to produce an informed decision regarding the propriety of resolution.

4. Probability of Plaintiffs' Success on the Merits

Defendants have denied any wrongdoing concerning the allegations in these cases. The Hannibal Defendants further dispute any allegation of causation and damages. Several issues that would need to be ultimately tried to a jury of a nature that are both highly technical and significantly disputed. Among them:

1. The ability of TTHMs to cause harm to those who ingested it;
2. The type of harm that TTHMs *can* cause to those who ingest it;
3. The duration of time in which an individual needs to consume TTHMs, and at what level and whether Plaintiffs or the Class are at risk for future illness;
4. The amount of damages associated with the ingestion of TTHMs.

Even if class certification was granted, questions would still abound for a judge or jury, and what a judge or jury would do with the facts in this case is difficult to predict. As a result of the factors discussed above and the substantial relief provided to the settlement Class, the resolution of this matter is a fair reflection of the probabilities of success in this case.

5. Range of Possible Recovery

While the claims in this case reflect a significant potential recovery, the most significant factor in assessing the fairness of this settlement is the Defendants' ability to pay should Plaintiffs prevail on any or all claims. Given the lack of indemnity coverage for the remedies sought in this

action, any recovery would come from the Hannibal Defendants, two municipal entities. The only additional monies available would be those generated by the income from raising rates on the very Class Members represented by the Plaintiffs in this case. Given the limited funds available and the catch-22 that presents both Plaintiffs and the Class Members they seek to represent, the range of actual recovery is severely limited. Even if this case was to proceed to trial, the likely recovery would not be substantially larger given the financial constraints of the Defendants. In fact, there is a significant risk that the recovery could decrease as litigation costs mount.

6. Opinions of Class Counsel, Class Representatives, and Class Members

Given the various strengths and weaknesses of the parties' respective cases, tempered by the uncertainties inherent in litigation, getting Class members real and significant relief now is a fair resolution of this case. Notably, the primary goal of this Class Action was and remains to obtain clean and safe drinking water for the Class without imposing financial ruin upon the municipal Defendants. Class counsel and the Lead Plaintiffs have invested years in the prosecution of these cases, and have obtained the most critical relief sought. This relief is intended to provide clean and safe drinking water based upon a treatment process that is acceptable to the Class. In addition, it preserves each class member's right to bring future claims for personal injury, loss of use and enjoyment and loss of property value arising from Defendants' alleged wrongful conduct, as such claims are explicitly not released.

VIII. ATTORNEYS' FEES

This Court has discretion under 52.08(e) to approve attorneys' fees included in the proposed settlement. Courts look at a number of factors when determining the appropriateness of attorney fees, including the size of the total recovery on behalf of the class caused by class counsel's efforts, the time and effort spent by class counsel on the case, and the percentage of the

total recovery comprised by attorney fees. *State ex rel. Byrd v. Chadwick*, 956 S.W.2d 369, 388 (Mo. App. W.D. 1997). It is also important for courts to make sure that attorney fees are the product of arm's length negotiations between Class counsel and Defendants, and that the settlement amount determined the amount of attorney fees and not vice versa. *Id.*

It is a generally accepted principle that a trial court is "permitted to require non-litigants to contribute their proportionate part of the counsel fees when a litigant successfully creates, increases, or preserves a fund in which the non-litigants were entitled to share." *Goines v. Missouri Dep't of Soc. Servs., Family Support & Children's Div.*, 364 S.W.3d 684, 689 (Mo. Ct. App. 2012); *see also Goldberger v. Integrated Resources, Inc.*, 209 F.3d 43, 47 (2d Cir. 2000) (attorney was "entitled to a reasonable fee ... taken from the fund."); *Boeing Co. v. Van Gemert*, 444 U.S. 472, 478 (1980) (noting that common fund cases are the exception to the general rule that litigants pay their own expenses and citing numerous court opinions to support this proposition). However, no general rule can be articulated on what is a reasonable percentage of a common fund.¹

A court may use its discretionary powers to determine a reasonable and fair award from a common fund, where the fund itself represents the benchmark from which reasonableness is measured. Here, Plaintiffs' counsel suggests the fee is appropriate both pursuant to the lodestar method of calculating fees, and the common fund doctrine. Under the lodestar method, "One consideration in determining the amount of attorneys' fees is the result achieved." *Berry v. Volkswagen Grp. of Am., Inc.*, 397 S.W.3d 425, 431 (Mo. 2013) (citing *O'Brien v. B.L.C. Ins. Co.*, 768 S.W.2d 64, 71 (Mo. banc 1989); *Hensley v. Eckerhart*, 461 U.S. 424, 103 S.Ct. 1933, 76 L.Ed.2d 40 (1983)).

¹ Various cites in this section are to federal law. Missouri has developed limited law regarding attorneys' fees in class actions. Additionally, Missouri Rules regarding class actions are modeled after Federal Rule of Civil Procedure 23. As such, federal decisions may inform this Court's analysis.

Other relevant factors in determining the reasonable value and amount of statutorily authorized fees include: 1) the rates customarily charged by the attorneys involved in the case and by other attorneys in the community for similar services; 2) the number of hours reasonably expended on the litigation; 3) the nature and character of the services rendered; 4) the degree of professional ability required; 5) the nature and importance of the subject matter; 6) the amount involved or the result obtained; and 7) the vigor of the opposition.

Id. Here, counsel for Plaintiffs spent significant hours in drafting of pleadings, review of documents, preparing and attending motions hearings, and, *inter alia*, preparing and attending depositions. Using the adjusted Laffey matrix rates pursuant to the *Lodestar* method, Plaintiffs’ counsel’s fees are as follows:²

Name	Hours	Rate	Total
Christopher T. Nidel	282.54 Hours	\$717	\$202,581.18
Jonathan B. Nace	197.18	\$717	\$141,370.89
Steven German	71	\$717	\$50,907.00
Joel Rubenstein	35	\$717	\$25,095.00

Missouri also permits attorneys’ fees awarded as part of the “common fund doctrine.” “That doctrine permits an award of attorney’s fees from a common fund when a plaintiff, on behalf of a class, successfully maintains an action that benefits the class members in a manner that benefits himself.” *Lett v. City of St. Louis*, 24 S.W.3d 157 (Mo. App. E.D. 2000) (citing *Mills v. Electric Auto-Life Co.*, 396 U.S. 375, 90 S.Ct. 616, 24 L.Ed.2d 593 (1970)). Courts in other jurisdictions have permitted up to 50 percent of the fund as a reasonable fee award from a common fund, in order to assure that fees do not consume a disproportionate part of the recovery obtained for the class, though somewhat larger percentages are not unprecedented. *Beech Cinema, Inc. v.*

² The Adjusted Laffey Matrix has been received as a reasonable rate for attorneys in the Washington, DC metropolitan area. See *e.g. Eley v. Dist. of Columbia*, 999 F. Supp. 2d 137 (D.D.C., 2013)

Twentieth Century Fox Film Corp., 480 F. Supp. 1195 (S.D. N.Y. 1979), (approximately 53% of settlement fund awarded); *see also Greene v. Emersons Ltd.*, 1987 WL 11558 (S.D. N.Y. 1987) (46.2% of common fund awarded as attorneys' fees).

Empirical studies show that, regardless of whether the percentage method or the lodestar method is used, fee awards in class actions average around one-third of the recovery. *See McNeely v. National Mobile Health Care, LLC*, 2008 WL 4816510 at *15 (W.D. Okla. 2008) (quoting *Newberg on Class Actions*) (certifying a class of nursing home residents who had allegedly been deceived by the defendants' insurance company, and preliminarily approving the settlement and fee request of plaintiffs' counsel, pending a full fairness hearing); *In re Top Tankers, Inc. Securities Litigation*, 2008 WL 2944620 at *13 (S.D. N.Y. 2008) (quoting *Newberg on Class Actions*) (approving settlement and attorney's fees agreement). Further, a fee of 20 to 25% of the total recovery has been treated as a benchmark by many courts. *Byrd*, 956 S.W.2d at 988.

Turning to this case, the settlement here is the result of arm's length negotiations in which the terms of settlement were determined prior to discussion regarding attorneys' fees. This case offers relief to thousands of Class members who drank and would otherwise continue to drink water with excessive levels of TTHMs. This settlement provides each Class member with, first and foremost, clean and safe drinking as the result of the Hannibal Defendants' agreement to invest a minimum of \$5,000,000.00 into investigating and implementing water quality improvements, which improvement will include a focus on reducing or replacing chloramination as a primary disinfection method. The Class further receives monetary compensation for medical monitoring in an amount of \$205,000.00. Class counsel seeks \$309,000.00 as compensation for their fees and expenses in this case, which is reasonably proportional to the results obtained, amount of the settlement, and, more importantly, is payable separate and apart from the monetary relief provided

to the Class. Any funds remaining in the medical monitoring fund will be paid to Class Counsel after a period of 120-days from the entry of Final Settlement Approval.

As stated above, Plaintiffs' counsel has incurred reasonable attorneys' fees in excess of \$309,000 pursuant to the *Lodestar* Method, specifically \$419,954.07. In the most extreme event, Plaintiffs' counsel will obtain \$500,000.00 in attorneys' fees, which would represent only a 1.19 multiplier of their acquired *Lodestar* fees. *See Berry*, 397 S.W.3d. at 432-33 finding a multiplier of 2.0 was reasonable.

Therefore, Plaintiffs contend that the request of no more than \$500,000.00 in attorneys' fees is appropriate. Further, Plaintiffs' counsel suggests that this case was litigated "vigorously" by all parties, and resulted in the type of relief sought. Namely, the residents-members of the Classes obtain a \$5,000,000.00 investment into technology to improve water quality, and obtain money to compensate them for medical testing for the early detection of otherwise latent disease. Class counsel, as described in detail in prior sections of this Memorandum, has expended considerable time and energy becoming proficient on water treatment processes, water distribution processes, medical monitoring and environmental legal issues related to claims of breach of warranty, negligence and strict liability. The work in these cases has led them to hearings around the state, motions, discovery, class certification and multiple appeals.

Even in the most extreme example, Class Counsel will receive no more than 10% of the value of the total relief afforded to the class in that at most \$500,000.00 of the \$5,000,000.00 will be paid only if *zero* claims for medical monitoring are made.

All parties have taken into account their probabilities of success on the merits, the expense and duration of continued litigation, and the range of possible recovery for the Class. Based on this information and in the best interests of their clients and the Class, the parties agree that this

resolution is preferable to continued litigation. The arm's length nature of the attorney fee portion of the settlement is also evidenced by the agreement that attorneys' fees should not be taken from the amount recoverable by the Class.

This Court should grant approval of the attorney fee portion of the proposed settlement because the time, effort, and expense devoted to these cases by Class counsel is considerable, the size of recovery is quite large, the Class members will not lose a penny to attorneys' fees, and the settlement was the result of arm's length bargaining.

IX. MEDICARE AND MEDICAID REIMBURSEMENTS

The Settling Parties have also come to the Court having considered the interests and rights of both the Center for Medicare and Medicaid Services ("CMS") and the Missouri Department of Social Services ("DSS"). The Settling Parties move this Court to order that CMS and DSS are not entitled to reimbursement or reporting for the following reasons.

CMS has promulgated authority that does not require any individual to report a settlement below a threshold of \$750. See <https://www.cms.gov/Medicare/Coordination-of-Benefits-and-Recovery/Coordination-of-Benefits-and-Recovery-Overview/Non-Group-Health-Plan-Recovery/Downloads/CMS-Computation-of-Annual-Recovery-Thresholds-for-NGHP-2017.pdf> (last visited May 10, 2018) ("CMS will establish a single threshold for these cases, where settlements of \$750 or less do not need to be reported and Medicare's conditional payment amount related to these cases did not need to be repaid."). The relief afforded to any class member who seeks medical monitoring will be less than that minimum threshold. The CPT Code reimbursement rates for the tests covered by the medical monitoring class, *i.e.* those amounts paid by CMS for the covered tests, are as follows: 81001 (urinalysis nonauto with scope) \$4.35; and 88112 (cytopathy

cell enhance tech) \$40.31. Because only these tests are covered by the medical monitoring class, CMS does not require reporting for reimbursement.

The Settling Parties also move for an Order reducing any amount owed to DSS through its Medicaid program to \$0 pursuant to Section 208.215.11 RSMo. “The court may reduce and apportion the department's lien proportionate to the recovery of the claimant. The court may consider the nature and extent of the injury, economic and noneconomic loss, settlement offers, comparative negligence as it applies to the case at hand, hospital costs, physician costs, and all other appropriate costs.” *Id.* Here, the Parties move for an order reducing any amount owed to Medicaid to be \$0 for all members of the Medical Monitoring Class and any participant in it. The purpose of the Medical Monitoring Class Settlement is for the early detection of latent disease. These tests if performed early should save DSS significant money by allowing detection and early treatment of urinary, bladder and/or kidney disease. Requiring participants to repay any amount reimbursed by the Medical Monitoring fund would further frustrate the purpose of the fund, which is to allow the Class members to seek necessary medical testing for long-term health purposes.

X. CONCLUSION

WHEREFORE, Plaintiffs respectfully request that this Court preliminarily approve this Class Settlement (pursuant to the proposed order filed herewith) as being sufficiently fair, reasonable, adequate, and in the best interest of all settlement Class members, as falling within the range of possible final approval, and as meriting submission to the settlement Class members for their consideration. Plaintiffs respectfully request that the Court enter an Order:

- (a) Preliminarily approve this Settlement Agreement.
- (b) Approve the provisional certification of the Settlement Classes for settlement purposes only, and declare that in the event of termination of this Settlement Agreement as

provided below, certification of the Settlement Classes shall automatically be vacated and the Hannibal Defendants may fully contest certification of any class as if no Settlement Classes had been certified.

(c) Appoint Christopher Nidel, Jonathan Nace, Daniel Ryan, Steven German, and Joel Rubenstein as Class Counsel.

(d) Determine that notice and exclusion rights should be provided to members of the Settlement Classes.

(e) Approve the method of notice to be provided to the Settlement Classes that will be submitted by the Parties (the “Notice Plan”), and find that it complies with the requirements of Missouri Rule of Civil Procedure 52.08.

(f) Approve the procedures described below for members of the Settlement Classes to submit claims for payment from the Medical Monitoring Settlement Amount, opt out to exclude themselves from those Classes, the Lawsuit, and this Settlement Agreement, or object to this Settlement Agreement.

(g) Stay all proceedings in the Lawsuit, except those related to effectuating and complying with the Settlement Agreement, pending the Court’s determination of whether the Settlement Agreement should be finally approved.

(h) Indicate that the Court has considered the interests of the Center for Medicare and Medicaid Services and has determined that Medicare’s conditional payments are under the reporting threshold.

(i) Approve reducing the amount of any reimbursement owed to the Missouri Department of Social Services to zero dollars (\$0) pursuant to RSMo § 208.215.11; and

(j) For such other relief as this Court deems just and proper.

Respectfully submitted,

/s/ Jonathan B. Nace
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CERTIFICATE OF SERVICE

This is to certify that on this 6th day of June 2018, I caused a copy of the foregoing to be served upon the Court and all parties via CaseNet.

/s/ Jonathan B. Nace
Jonathan B. Nace, Esq.

Exhibit 1

**IN THE CIRCUIT COURT OF THE COUNTY OF ST. LOUIS
STATE OF MISSOURI**

OLIVER LATTA individually and on)	
behalf of all others similarly situated, et al.,)	
)	
Plaintiffs,)	
v.)	Case No.16SL-CC01881
)	
HANNIBAL BOARD OF PUBLIC)	Division 10
WORKS, et al.,)	
)	
Defendants.)	

SETTLEMENT AGREEMENT

Subject to the preliminary and final approval of the Court, and as further set forth below, this Settlement Agreement is made by and between the Class Representatives defined below, individually and on behalf of the Settlement Classes defined below (“Plaintiffs”), and Defendants City of Hannibal and Hannibal Board of Public Works (“Hannibal Defendants”). Plaintiffs and Hannibal Defendants are collectively referred to as the “Parties.”

WHEREAS, Plaintiffs filed a putative class action lawsuit, *Latta, et al. v. City of Hannibal, et al.*, Case No. 16SL-CC01881, now pending in the Circuit Court of Saint Louis County, State of Missouri alleging a variety of claims against the Hannibal Defendants related to water quality (the “Lawsuit”);

WHEREAS, on October 6, 2016, Plaintiffs filed their Amended Class Action Petition (“Petition”);

WHEREAS, in the Petition, Plaintiffs allege that the Hannibal Defendants failed to provide safe potable drinking water;

WHEREAS, Plaintiffs have sought relief, including but not limited to damages, injunctive relief, punitive damages and attorney fees and costs for the alleged conduct of the Hannibal Defendants;

WHEREAS, Christopher Nidel, Jonathan Nace, Daniel Ryan, Steven German, and Joel Rubenstein have served as Plaintiffs' Counsel in the Lawsuit;

WHEREAS, on January 20, 2017, the Hannibal Defendants filed an Answer and Affirmative Defenses to the Petition, which asserted a number of defenses to Plaintiffs' claims, denied that the Hannibal Defendants violated any law or other duty, and denied each of the Plaintiffs' claims of liability, wrongdoing, injuries, damages, and entitlement to any relief;

WHEREAS, as a result of extensive arm's-length negotiations, Plaintiffs and the Hannibal Defendants reached an agreement in principle to settle and resolve the claims asserted in the Lawsuit, based on the terms and conditions set forth below and subject to the approval of the Court;

WHEREAS, Plaintiffs' Counsel have investigated the facts relating to the claims in the Lawsuit and the underlying events and transactions forming the subject matter of the Lawsuit, have analyzed the applicable legal principles, and have concluded, based upon their investigation, taking into account the sharply contested issues involved, including the risk of class certification and proof and legal defenses which may be an impediment to prevailing in whole or in part on the claims asserted, and taking into account the risks, uncertainties, burdens, and costs of further prosecution of the Lawsuit, and taking into account the substantial benefits to be received pursuant to this Settlement Agreement, that a resolution and compromise on the terms set forth herein is fair, reasonable, adequate, and in the best interests of Plaintiffs and the Settlement Classes;

WHEREAS, Plaintiffs' Counsel represent and warrant that they are fully authorized to enter into this Settlement Agreement;

WHEREAS, the Hannibal Defendants, solely for the purpose of avoiding the burden, expense, risk, and uncertainty of continuing to litigate the Lawsuit, and for the purpose of putting to rest all controversies engendered by the Lawsuit, and without any admission of liability or wrongdoing whatsoever, desire to settle the Lawsuit and all claims asserted in or subsumed by the Lawsuit, including unasserted claims related to the subject matter of the Lawsuit that Plaintiffs could have asserted in the Lawsuit, on the terms and conditions set forth in this Settlement Agreement; and

WHEREAS, the Hannibal Defendants have provided evidence of a lack of available resources to compensate the Class more fully.

NOW, THEREFORE, without any admission or concession by Plaintiffs of any lack of merit to their allegations and claims, and without any admission or concession by the Hannibal Defendants of any liability or wrongdoing or lack of merit in their defenses, in consideration of the foregoing clauses and the mutual covenants, terms, representations, and payments contained herein, and subject to the final approval of the Court, Plaintiffs and the Hannibal Defendants agree as follows:

Definitions

1. As used in this Settlement Agreement, the terms set forth in this section will have the following meanings:

(a) "Class Member" means any member of a Settlement Class who has not submitted a valid Request for Exclusion from this Settlement Agreement, as preliminarily and finally approved by the Court.

(b) “Class Representatives” means Oliver Latta, Vickie Brooks, Crystal Stephens and Christine Stolte.

(c) “Court” means Judge Michael T. Jamison, Circuit Court of Saint Louis County, State of Missouri, or such other judge to whom the Lawsuit may hereafter be assigned.

Settlement Classes

2. For the purposes of this Settlement Agreement only, Plaintiffs will seek, and the Hannibal Defendants will not oppose, certification of settlement classes consisting of the classes described below, to which the Hannibal Defendants will provide settlement consideration and from which the Hannibal Defendants will obtain a release of claims, subject to the Court’s preliminary approval of this Settlement Agreement, the provision of notice to members of the settlement classes, and the Court’s final approval of the notice provided and this Settlement Agreement, under the terms and conditions stated below.

3. For the purposes of this settlement only, Plaintiffs will seek, and the Hannibal Defendants will not oppose, the Court’s certification of two classes (the “Settlement Classes”), for all the claims and forms of relief asserted in the Lawsuit. The Settlement Classes are defined as follows:

(a) **“RATE-PAYER CLASS”**: All current residents of the State of Missouri who, at any time between September 1, 2011 and February 28, 2016, were billed and paid for water provided by the City of Hannibal, Missouri public water supply system.

(b) **“MEDICAL-MONITORING CLASS”**: All current residents of the State of Missouri who, for a minimum period of three years, between the dates of September 2011 and February 2016, resided in the City of Hannibal, and drank and/or bathed in water provided by the City of Hannibal, Missouri public water supply system.

4. Excluded from the Settlement Classes are (A) the Hannibal Defendants; (B) any person, firm, trust, corporation, officer, member, director or other individual or entity in which

the Hannibal Defendants have a controlling interest; (C) counsel for the Parties; (D) the key representatives associated with this matter on behalf of the Settlement Administrator identified below; (E) the judge, the judge's immediate staff and judge's immediate family; and (F) the legal representatives, agents, successors-in-interest or assigns of any such excluded party.

5. The Parties stipulate and agree that the definitions of the proposed classes in the Lawsuit are amended to be the same as the Settlement Classes, and that the Court's orders preliminarily and finally approving this Settlement Agreement shall so amend the operative petition.

6. Certification of the Settlement Classes applies to all claims brought against the Hannibal Defendants in the Petition, including without limitation all forms of injunctive relief, damages, and statutory remedies sought in the Petition.

7. In the event the settlement is not approved, all such settlement class certifications and amendments to pleadings shall be null and void without prejudice to the Parties seeking respectively to certify or oppose certification of any class.

8. Plaintiffs will seek, and the Hannibal Defendants will not oppose, the Court's appointment of Christopher Nidel, Jonathan Nace, Daniel Ryan, Steven German, and Joel Rubenstein as counsel for the Settlement Classes ("Class Counsel"), and the appointment of the Class Representatives as representatives of the Settlement Classes as indicated above.

Settlement Consideration

9. Medical Monitoring. Subject to the provisions hereof, the Hannibal Defendants will pay or cause to be paid a total of Two Hundred Five Thousand Dollars (\$205,000.00) for medical monitoring for the benefit of the Medical-Monitoring Class ("Medical Monitoring Settlement Amount") as set forth herein and as more fully outlined in Paragraph 37(a), the

payment of which shall fully satisfy any and all of the Hannibal Defendants' payment obligations pursuant to this Settlement Agreement, except as set forth in Paragraphs 11-13.

10. Injunctive Settlement for the Rate Payer Class. As further consideration for settlement, Plaintiffs shall seek entry of a consent judgment against the Hannibal Defendants and in favor of the Rate Payer Class, which the Hannibal Defendants shall not oppose, that contains the following terms only: (a) the Hannibal Defendants jointly shall commit a minimum of \$5,000,000 to investigate and implement water quality improvements; (b) the improvements will include a focus on reducing or replacing chloramination as a primary disinfection methodology. The consent judgment will provide that the Court retains jurisdiction over this case until the injunctive relief has been fully effectuated. This agreement is not intended to, nor does it alter, any duty, obligation or responsibility imposed by any agency, statute, rule, regulation, directive or order concerning the provision of water to the public.

11. Class Representative Incentive Payment. The Medical Monitoring Settlement Amount does not include any incentive payment sought by the Plaintiff class representatives, which Plaintiffs will request from the Court, and the Hannibal Defendants agree to pay and not to oppose any application to the Court for payment of such incentive fees, in an amount not greater than \$4,000 per class representative.

12. Attorney Fees and Costs. The Medical Monitoring Settlement Amount does not include any attorneys' fees or costs that may be awarded by the Court. Class Counsel shall request, and the Hannibal Defendants shall not oppose, attorneys' fees and costs. Class Counsel's request is subject to a cap of Three Hundred Nine Thousand Dollars (\$309,000.00), plus any remainder of the Medical Monitoring Settlement Amount, as outlined in Paragraph 42 ("Attorneys' Fees Cap"). The Attorneys' Fees Cap shall include all expenses or costs that Class

Counsel has or will incur. The Hannibal Defendants shall not otherwise be liable for any costs, fees, or expenses of any of the Plaintiffs' attorneys, experts, advisors, agents, or representatives, or any other costs, fees or expenses of any kind. With respect to this Settlement Agreement, Plaintiffs, the Settlement Classes, and their attorneys, experts, advisors, agents, and representatives agree to waive any claim for, and will not seek, any attorneys' fees, expenses or costs in an amount in excess of those outlined in this paragraph. For purposes of this paragraph, the term "costs" includes, but is not limited to, fees and expenses of expert witnesses and consultants, and costs and expenses associated with discovery, motion practice, hearings before the Court or other judicial officer, appeals and mediation.

13. Costs for Claims and Notice Administration. The Hannibal Defendants will pay any reasonable costs for the notice and claims process associated with providing notice of settlement and for processing any claims by putative class members, including the preparation and provision of notice, the administration of the claims process, distributing payments, and oversight and reporting of the notice program, as more fully described in Paragraphs 31-43.

14. As to the Hannibal Defendants the provisions of Paragraphs 9 to 13 shall exhaust and fully satisfy any and all of the Hannibal Defendants' payment obligations under this Settlement Agreement, and shall extinguish entirely any further obligation, responsibility, or liability to pay any settlement sums, attorneys' fees, litigation costs, expenses incurred in administering this Settlement Agreement, including the cost of class notice, the claims process, taxes, or sums of any kind to Plaintiffs, the Settlement Classes, Class Counsel, and any other counsel, experts, advisors, agents, and representatives. In no circumstances shall this Settlement Agreement be construed to require the Hannibal Defendants to pay more, and except in accordance with the provisions of Paragraphs 9 to 13 of this Settlement Agreement, the Hannibal

Defendants shall not be liable for (i) any of the costs or expenses of the litigation of the Lawsuit, including attorneys' fees or expenses, fees and expenses of any expert witnesses and consultants, or costs and expenses associated with discovery, motion practice, hearings before the Court or other judicial officer, or mediation; or (ii) any expenses incurred in administering this Settlement Agreement.

15. This Settlement Agreement shall become final five business days after all of the following conditions have occurred and been satisfied:

(a) The Court has entered: (i) a final non-appealable order approving this Settlement Agreement under Missouri Rule of Civil Procedure 52.08; (ii) an injunctive order as described in Paragraph 10; and (iii) a final non-appealable judgment granting the relief described in this Settlement Agreement, including the relief described in Paragraph 44; and

(b) The time for appeal or to seek permission to appeal from the Court's approval of this Settlement Agreement, injunctive relief and entry of final judgment as to the Hannibal Defendants described in subsection (a) of this paragraph has expired or, if appealed, approvals of this Settlement Agreement and any final judgment as to the Hannibal Defendants have been affirmed by the court of last resort to which such appeal has been taken and such affirmance has become no longer subject to further appeal or review.

16. Within thirty (30) days of the Settlement Agreement becoming final as outlined in Paragraph 15 of this Settlement Agreement, the Hannibal Defendants shall pay to Class Counsel the amounts identified in Paragraphs 11 and 12 for distribution (the "Settlement Fund"). The Hannibal Defendants will pay, as necessary, any reasonable costs charged by the Settlement Administrator pursuant to Paragraph 13.

17. Upon the Settlement Agreement becoming final as outlined in Paragraph 15 of this Settlement Agreement, the Parties will direct the Settlement Administrator to apply and distribute the Medical Monitoring Settlement Amount in the manner provided herein.

18. The proceeds of the Medical Monitoring Settlement Amount shall be allocated to each Medical-Monitoring Class Member, as defined above, in accordance with the payment plan summarized in Paragraph 41.

19. In no event shall the Hannibal Defendants have any obligation, responsibility, or liability, including liability for costs and expenses, arising from or relating to the administration, maintenance, distribution, or disposition of its payments, or the Settlement Fund, except as described in Paragraph 13.

20. The Hannibal Defendants shall not have any responsibility for, or interest in, or liability whatsoever with respect to the allocation among counsel for the Settlement Classes, and/or any other person who may assert some claim thereto, of any fee and expense award that the Court may make in the Lawsuit.

21. Taxes (including any estimated taxes, interest, or penalties) arising with respect to the income earned by the Settlement Fund, including any taxes or tax detriments that may be imposed upon the Hannibal Defendants with respect to any income earned by the Settlement Fund for any period during which the Settlement Fund does not qualify as “qualified settlement funds” for federal or state income tax purposes (“Taxes”) shall be paid out of the Settlement Fund held by the Settlement Administrator. The Settlement Administrator shall be responsible for issuance of any 1099s or other necessary documents and make any filings associated with any Taxes.

22. Neither the Hannibal Defendants nor its counsel shall have any liability or responsibility for the Taxes, or for maintaining or securing any desired tax status for the Settlement Fund, nor for any negligence, fraud, or malfeasance regarding the Settlement Fund. Further, Taxes shall be treated as, and considered to be, a cost of administration of the Settlement Fund, and shall be timely paid by the Settlement Administrator out of the Medical Monitoring Settlement Amount without prior order from the Court, and the Settlement Administrator shall be obligated (notwithstanding anything herein to the contrary) to withhold from distribution any funds necessary to pay such amounts, including the establishment of adequate reserves for any Taxes. The Parties agree to cooperate with the Settlement Administrator, each other, and their tax attorneys and accountants to the extent reasonably necessary to carry out the provisions of Paragraphs 21-22.

Release of Claims

23. The “Releasing Parties” in this Settlement Agreement are all Class Representatives and all members of the Settlement Classes and their respective heirs, executors, administrators, trustees, successors, assigns, agents, executors, beneficiaries, attorneys, representatives and anyone claiming by, through or on behalf of the Classes, who have not timely opted out to exclude themselves from the Lawsuit and this Settlement Agreement as provided below.

24. The “Released Parties” in this Settlement Agreement are the City of Hannibal and Hannibal Board of Public Works, and their respective past and present officers, directors, board or council members, agents, employees, contractors, insurers, legal representatives, trustees, parents, associates, affiliates, joint ventures, subsidiaries, divisions, partners, heirs, executors,

administrators, purchasers, predecessors, successors, legal representatives, contractors and assigns.

25. In addition to the effect of any final judgment entered in accordance with this Settlement Agreement, including but not limited to any preclusive effect, the Releasing Parties hereby expressly and irrevocably waive and fully, finally, and forever settle, discharge, remise and release the Released Parties from any and all manner of claims, demands, judgments, actions, suits, obligations, promises and causes of action, whether individual, class, or otherwise in nature, for damages whenever incurred, and for liabilities of any nature whatsoever, including for penalties, fines, charges, costs, expenses, injunctive relief, declaratory relief, attorneys' fees, claims for contribution or indemnification, or the like, whether known or unknown, suspected or unsuspected, in law or equity, that any Releasing Party ever had or now has arising out of or relating in any way to: (i) any and all claims, demands, obligations, actions, or causes of action asserted in the Lawsuit; and/or (ii) any and all claims, demands, obligations, actions, or causes of action (including but not limited to, negligence, negligence per se, strict liability, abnormally dangerous activity, willful and wanton misconduct, intentional infliction of emotional distress, negligent infliction of emotional distress, civil conspiracy, declaratory relief, punitive and other damages, injunctive relief of any kind, attorney fees, costs and expenses, or obligations or other matters of whatever nature, whether based on contract, tort, statute, regulation, common law, equity, or other law) arising out of the factual allegations that gave rise to the basis for the claims made for damages asserted in this Lawsuit ("Released Claims"). All past, current or future personal injury claims, property damage claims, and loss of use or enjoyment claims are excluded from the Released Claims ("Excluded Claims").

26. For the avoidance of doubt, the types of claims released in the preceding paragraph are released regardless of the type of cause of action, common law principle, or statute under which they are asserted, and the Excluded Claims are not released regardless of the type of cause of action, common law principle, or statute under which they could be asserted.

27. Each Releasing Party further expressly and irrevocably waives and fully, finally, and forever settles and releases, upon the Court's final approval of this Settlement Agreement, any and all defenses, rights, and benefits that the Releasing Party may have or that may be derived from the provisions of applicable law which, absent such waiver, may limit the extent or effect of the release contained in Paragraphs 23-26. The Parties understand, and their attorneys have explained, the importance, meaning and legal effect of this section.

28. The Releasing Parties hereby covenant and agree that they shall not, hereafter, seek to establish liability against any of the Released Parties based, in whole or in part, upon any of the Released Claims.

Preliminary Court Approval

29. Plaintiffs and the Hannibal Defendants shall recommend approval of this Settlement Agreement by the Court and all reviewing courts. Plaintiffs and the Hannibal Defendants shall use their best efforts to effectuate this Settlement Agreement and obtain judicial approval for the establishment of procedures to secure the prompt, complete, and final dismissals with prejudice of the Lawsuit.

30. On or before June 12, 2018, Class Counsel shall submit to the Court a Motion for Preliminary Approval of this Settlement Agreement, which will set a hearing date for preliminary approval and recommend approval of this Settlement Agreement by the Court as being fair, reasonable and adequate. With the filing, Plaintiffs will request a hearing date for the

Final Approval Hearing. As part of that filing, or contemporaneously therewith, Plaintiffs shall seek, and the Hannibal Defendants will not oppose, the Court's entry of an order(s) (the "Preliminary Approval Order"), to:

(a) Preliminarily approve this Settlement Agreement.

(b) Approve the provisional certification of the Settlement Classes for settlement purposes only, and declare that in the event of termination of this Settlement Agreement as provided below, certification of the Settlement Classes shall automatically be vacated and the Hannibal Defendants may fully contest certification of any class as if no Settlement Classes had been certified.

(c) Appoint Christopher Nidel, Jonathan Nace, Daniel Ryan, Steven German, and Joel Rubenstein as Class Counsel.

(d) Determine that notice and exclusion rights should be provided to members of the Settlement Classes.

(e) Approve the method of notice to be provided to the Settlement Classes that will be submitted by the Parties (the "Notice Plan"), and find that it complies with the requirements of Missouri Rule of Civil Procedure 52.08.

(f) Approve the procedures described below for members of the Settlement Classes to submit claims for payment from the Medical Monitoring Settlement Amount, opt out to exclude themselves from those Classes, the Lawsuit, and this Settlement Agreement, or object to this Settlement Agreement.

(g) Stay all proceedings in the Lawsuit, except those related to effectuating and complying with the Settlement Agreement, pending the Court's determination of whether the Settlement Agreement should be finally approved.

(h) Indicate that the Court has considered the interests of the Center for Medicare and Medicaid Services and has determined that Medicare's conditional payments are under the reporting threshold. Approve reducing the amount of any reimbursement owed to the Missouri Department of Social Services to zero dollars (\$0) pursuant to RSMo § 208.215.11.

Notice and Claims Process

31. The Hannibal Defendants and/or a third-party may administer the notice and claims process.

Notice

32. Within thirty (30) days of Preliminary Approval of the Settlement Agreement, the Parties, with assistance of a third-party as necessary, shall provide notice to the Settlement Classes of the claims, objection and exclusion procedures through the Notice Plan approved by the Court. The Parties will work together to develop the form and manner of notice, which will comply with the requirements of Missouri Rule of Civil Procedure 52.08.

33. Notice may include direct notice by mail as part of monthly utility bills or related communications, publication notice and/or notice made available on the Hannibal Defendants' website or such other notice deemed satisfactory by the Court.

Exclusion, Objection and Claims Procedures

34. The Parties will request that the Preliminary Approval Order provide for a period of no more than thirty (30) days after completion of the notice, for any member of the Settlement Classes who does not wish to participate in this Settlement Agreement to opt out and be excluded from the Settlement Classes. Any Class Member may opt out of the Class by submitting a written or online Request for Exclusion to the Settlement Administrator within the timeframe indicated in the notice ("Request for Exclusion"). Such Request for Exclusion may be effected

in the form and manner approved by the Court. Any member of the Settlement Classes who fails to object as required shall waive and forfeit any and all rights they may have to appear separately and/or to object and shall be bound by this Settlement and by all other proceedings, orders and judgments in the Lawsuit.

35. Within ten (10) days after the conclusion of the period for exclusion, the Settlement Administrator shall provide counsel for the Parties with a list of each member of the Settlement Classes who submitted a Request for Exclusion to be excluded from this Settlement Agreement, stating whether the Request for Exclusion was properly and timely made, and attaching a copy of all documentation, if any, concerning each Request for Exclusion submitted.

36. The Parties will request that the Preliminary Approval Order provide for a period of no more than thirty (30) days after completion of the notice, for any member of the Settlement Classes who does not submit a request for exclusion to object to this Settlement Agreement or any request for Class Counsel's attorneys' fees, costs or expenses. Any objection must be submitted in writing to the Court, the Settlement Administrator and all attorneys of record in the Lawsuit designated to receive such notice within the timeframe indicated in the notice, and must include sufficient information to confirm the objector is a member of a Settlement Class and state the objection being made. Such objection may be effected in the form and manner approved by the Court.

37. The Parties will request that the Preliminary Approval Order provide for a period of no more than sixty (60) days after the Final Approval Hearing, for any member of the Settlement Classes who does not submit a request for exclusion to submit a written claim form to the Settlement Administrator for payment from the Medical Monitoring Settlement Amount ("Claim Form").

(a) Any Claim Form submitted to the Settlement Administrator must be submitted in writing or online and signed under penalty of perjury and contain, at a minimum, the following information: (i) name; (ii) address; (iii) if different, address to establish membership in the Medical-Monitoring Class; (iv) the receipt or invoice for a urinalysis for blood and urine cytology for which the claimant is seeking reimbursement and which reflects that the test was administered before sixty (60) days following Final Court Approval of the Settlement Agreement (the “Medical Monitoring Period”); (v) identify whether any insurance or other payee source was available for the test, and the amount thereof; (vi) affirm that for a minimum period of three years between September 2011 and February 2016, the claimant drank and/or bathed in water provided by the City of Hannibal public water system; and (vii) affirm that the Class Member falls within the Medical-Monitoring Class.

38. The Settlement Administrator shall approve and administer all claims made to or against any portion of the Medical Monitoring Settlement Amount.

39. The Settlement Administrator will collect, review, audit and verify the validity of timely submitted Claim Forms to determine the validity of claims and examine the proof submitted on claims, which may include use of anti-fraud measures, normal procedures applied to determine if claims are fraudulently submitted, confirmation that the claim is not duplicative of another submitted claim, verification that the Claim Form is adequately completed with the required information, validation of the claimant’s identity and address compared with the addresses on file with the Hannibal Defendants, and verify that the claimant falls within the Medical-Monitoring Class. The Settlement Administrator will approve claims for qualifying submissions made for tests billed with CTP Codes 81001 (urinalysis) and 88112 (urine cytology).

40. Within ninety (90) days after the expiration of Medical Monitoring Period, the Settlement Administrator shall submit a report to the Parties' counsel (a) regarding the basis for rejection of any claims (the "Rejected Claims"); and (b) verification that all valid claims have been paid under this Settlement Agreement. Any disputes over Rejected Claims shall be resolved by the Court.

Payment to Members of Medical-Monitoring Class

41. After verifying the claims as outlined in Paragraph 39, and subject to the terms of Paragraph 40, the amount of the Medical Monitoring Settlement Fund shall be distributed by the Settlement Administrator as follows:

(a) The Settlement Administrator will calculate each claimant's requested reimbursement for timely and qualifying submissions made for tests billed with CTP Codes 81001 (urinalysis) and 88112 (urine cytology) (minus any applicable insurance or other payee source).

(b) The Settlement Administrator shall add all approved claims as calculated pursuant to Paragraph 41(a) together to calculate a total amount of reimbursement. Then, the Settlement Administrator shall determine a payment for each qualifying claim on a pro-rata basis, based on the total dollar value of all approved claims and the number of all approved claims (not to exceed the net actual out-of-pocket costs submitted by a claimant). If approved claims of all members of the Medical-Monitoring Class on an aggregate basis exceed the Medical Monitoring Settlement Fund, the payment to Class Members will be reduced accordingly on a per claim proportionate basis to not exceed the Medical Monitoring Settlement Fund.

(c) The Settlement Administrator will ensure that only one claim is approved per Class Member.

(d) No reimbursement will be provided until all claims subject to reimbursement have been received and approved or rejected.

42. Any amount remaining of the Medical Monitoring Settlement Fund after payment of the claims described in Paragraph 41 shall be paid to Class Counsel within 120 days of the close of the Medical Monitoring Period.

43. The Settlement Administrator shall provide a final accounting to the Parties of all funds deposited into and/or or paid from the Medical Monitoring Settlement Amount.

Final Court Approval

44. As soon as practicable after expiration of the period to opt out or object, Class Counsel will make a motion for the Court to enter an order (the “Order Granting Final Approval”) and a judgment (“Judgment”) that will:

(a) Determine that the Court has personal jurisdiction over the Hannibal Defendants and all members of the Settlement Classes, and jurisdiction to finally approve this Settlement Agreement.

(b) Resolve any objections to this Settlement Agreement or any request by Class Counsel for fees, costs or expenses.

(c) Finally approve this Settlement Agreement as being fair, reasonable, and adequate for the members of the Settlement Classes within the meaning of Missouri Rule of Civil Procedure 52.08 and any other applicable rules, and direct its consummation according to its terms.

(d) Enter an injunction in the form described in Paragraph 10, and declare that in the event of termination of this Settlement Agreement, the injunction order shall automatically be vacated.

(e) Approve the releases set forth in Paragraphs 23-28 of this Settlement Agreement, and enjoin the members of the Settlement Classes and anyone acting on their behalf from asserting any of the released claims.

(f) Define the Settlement Classes and finally certify them for settlement purposes only and identify those who are excluded from the Settlement Classes, and declare that in the event of termination of this Settlement Agreement, certification of the Settlement Classes shall automatically be vacated and the Hannibal Defendants may fully contest certification of any class as if no Settlement Classes had been certified.

(g) Approve the notice provided to the Settlement Classes as due, adequate, and sufficient, as the best practicable notice under the circumstances, and as fully satisfying the requirements of due process, the Missouri Rules of Civil Procedure, and any other applicable laws or rules.

(h) Approve the claims process used for the Settlement Classes as due, adequate and sufficient, and as fully satisfying the requirements of the Missouri Rules of Civil Procedure and any other applicable laws or rules.

(i) Direct that the Lawsuit be dismissed with prejudice, except as provided for in this Settlement Agreement and subject to the enforcement of this Settlement Agreement and injunctive relief identified in Paragraph 10, with each side to bear their respective attorneys' fees and costs other than those allowed by the Court as set out in Paragraphs 12 and 13 of this Settlement Agreement.

(j) Provide that the Court retains continuing jurisdiction over the Settlement Classes and the Hannibal Defendants to implement, administer, consummate, and enforce this Settlement Agreement and the Judgment and the Order Granting Final Approval.

(k) Determine under Missouri Rule of Civil Procedure 74 that there is no just reason for delay and direct that the judgment of dismissal with prejudice as to Defendant shall be final and appealable.

45. Once there is a non-appealable Judgment, Class Counsel shall fully comply with the terms of the Protective Order entered on September 1, 2017 in the Lawsuit and shall destroy or return to the Released Parties all documents and material produced, as required by the terms of the Protective Order, and all copies of same.

Representations and Warranties

46. Plaintiffs and Class Counsel represent and warrant that there are no pending personal injury claims in the Lawsuit, and that they are unaware of any such claims. Plaintiffs and Class Counsel further represent that they are unaware of any insurance, hospital, medical, Medicaid, Medicare, ERISA, Social Security, SSI, attorney liens, or any other type of lien of any kind whatsoever for any claims alleged in the Lawsuit, and that no parties other than those named in this Settlement Agreement have any interest in or right to the settlement proceeds being paid.

Termination

47. Plaintiffs and the Hannibal Defendants each may terminate this Settlement Agreement by providing written notice to counsel for the other parties and the Court within ten business days after any of the following occurrences:

(a) The Court does not enter a Preliminary Approval Order containing the provisions set forth in Paragraph 30 of this Settlement Agreement, or subsequently seeks to significantly modify any of its terms.

(b) The Court does not enter a Judgment and an Order Granting Final Approval containing the provisions set forth in Paragraph 44 of this Settlement Agreement, or subsequently seeks to significantly modify any of its terms. For the avoidance of doubt, any order of the Court that purports to impose additional financial obligations or other material obligations on the Hannibal Defendants, or Plaintiffs or Class Counsel, or any order on review or appeal that would have the foregoing effect, constitutes a basis for termination of this Settlement Agreement.

(c) The Court does not provisionally or finally certify for settlement purposes only the Settlement Classes as defined in Paragraph 3 above, or significantly limits or changes the composition of those Classes.

(d) Any terms of this Settlement Agreement, the Court's Preliminary Approval Order, the Court's Judgment, or the Court's Order Granting Final Approval are not substantially affirmed or are significantly modified on any appeal or otherwise. A modification or reversal on appeal of any amount of attorneys' fees and expenses awarded by the Court, or of an order approving a plan of distribution from the Settlement Fund, shall not be deemed a basis for termination of this Settlement Agreement.

(e) Any court issues an order affecting in whole or in part the Settlement Class definitions in Paragraph 3 above, the settlement consideration in Paragraphs 9-13 above, the release of claims in Paragraphs 23-28 above, or other material terms or conditions of this Settlement Agreement.

48. In the event that the number of members of the Settlement Classes who timely and validly request exclusion exceeds 20% of putative class members of the Settlement Classes, based on the estimated sizes of the Classes, the Hannibal Defendants may terminate this Settlement Agreement by providing written notice to Class Counsel and the Court within ten business days after counsel for the Settlement Administrator to provide the list of requests for exclusion described in Paragraph 35 of this Settlement Agreement.

49. In the event of an occurrence giving rise to a basis for termination of this Settlement Agreement, Plaintiffs and Defendant agree to negotiate reasonably and in good faith within thirty (30) days of any termination or disapproval by the Court, in whole or in part, to negotiate an appropriate amended Settlement Agreement.

50. In the event of termination of this Settlement Agreement:

(a) This Settlement Agreement shall be null and void, and of no force and effect, except as provided in subparagraphs (b)-(f) below.

(b) The Hannibal Defendants shall not be required to make any further payments to the Medical Monitoring Settlement Amount, and all sums that the Hannibal Defendants paid that are held by the Settlement Administrator shall be immediately paid to an account designated by the Hannibal Defendants.

(c) Any certification of the Settlement Classes by the Court, made pursuant to this Settlement Agreement, will automatically be vacated. The Hannibal Defendants will retain all defenses to certification and their non-opposition to the Settlement Classes for settlement purposes only shall not be used as evidence, and shall not be admissible as such, in support of class certification in the Lawsuit, or any other civil action or proceeding.

(d) Plaintiffs and the Hannibal Defendants shall revert to their positions prior to the execution of this Settlement Agreement, including with respect to the appropriateness of class certification, as if the Settlement Agreement had not been reached or executed.

(e) Plaintiffs will be given an opportunity and reasonable time to continue litigation that they have foregone in lieu of this Settlement Agreement, and may seek class certification with or without consent of the Defendants at a time to be determined by Court Order.

(f) The terms and conditions of this Settlement Agreement, the facts and circumstances surrounding this settlement, any publicly disseminated information regarding the Settlement Agreement, and any orders or motion filings or objections concerning the Settlement Agreement (including without limitation the Court's Preliminary Approval Order, the Order Granting Final Approval, the Judgment, and all motion papers concerning those Orders), may not thereafter be used as evidence, and shall not be admissible as such, in the Lawsuit, or any other civil action or proceeding.

Communications

51. Plaintiffs, the Hannibal Defendants, and their respective counsel, including Class Counsel, shall not engage in any conduct or make any statements, directly or indirectly, to encourage, promote, or solicit members of the Settlement Classes or their counsel to request exclusion from the Settlement Classes or to object to this Settlement Agreement, or to facilitate, induce, or cause the non-fulfillment of a condition or the occurrence of an event giving rise to a right to terminate this Settlement Agreement.

52. Each party, their respective counsel, or anyone else acting on behalf of them, shall use reasonable efforts to ensure that any public statement made in connection with the Settlement

is consistent with and fair comment on the contents of the Notice, the allegations contained in the operative Petition and Answer, or confirmation that the Parties entered this Settlement Agreement. No party, or their respective counsel, or anyone else acting on behalf of them, may issue any press release, with the exception of any notice provided under the Notice Plan. The Parties' counsel may, however, make information about the Settlement available on their law firm website or blog so long as it is consistent with the other requirements of this Paragraph.

Continuing Jurisdiction

53. The Court will retain continuing jurisdiction over the Plaintiffs, the Settlement Classes, and the Hannibal Defendants to implement, administer, consummate, and enforce the Settlement Agreement, the Judgment, the injunction and the Order Granting Final Approval.

54. Plaintiffs, the Settlement Classes, and the Hannibal Defendants hereby irrevocably submit to the exclusive jurisdiction of the Court for any suit, action, proceeding, or dispute arising out of or relating to this Settlement Agreement, the Judgment, the injunction or the Order Granting Final Approval, or to the applicability of this Settlement Agreement, the Judgment, the injunction or the Order Granting Final Approval, which cannot be resolved by negotiation and agreement by Plaintiffs and the Hannibal Defendants. Without limiting the generality of the foregoing, it is hereby agreed that any dispute, including but not limited to any suit, action, or proceeding by a Plaintiff or member of the Settlement Classes, in which the provisions of this Settlement Agreement, the Judgment, the injunction or the Order Granting Final Approval are asserted as a defense in whole or in part to any claim or cause of action, or otherwise raised as an objection, constitutes a suit, action, or proceeding arising out of or relating to this Settlement Agreement, the Judgment, the injunction or the Order Granting Final Approval.

55. In the event that the provisions of this Settlement Agreement, the Judgment, the injunction or the Order Granting Final Approval are asserted by the Hannibal Defendants as a defense in whole or in part to any claim or cause of action or otherwise raised as an objection in any other suit, action, or proceeding by a Plaintiff or member of the Settlement Classes, it is hereby agreed that the Hannibal Defendants may seek, and that Plaintiffs and Settlement Class members will not oppose, a stay of that suit, action, or proceeding until the Court has entered an order or judgment determining any issues relating to the defense or objections based on such provisions.

Additional Terms and Conditions

56. Plaintiffs, the Settlement Classes, the Hannibal Defendants, their respective counsel, and Class Counsel shall execute all documents and perform any additional acts reasonably necessary and proper to effectuate the terms of this Settlement Agreement and to obtain the benefit of this Settlement Agreement for Plaintiffs, the Settlement Classes, and the Hannibal Defendants.

57. The Hannibal Defendants specifically deny any and all liability in the Lawsuit. By entering into this Settlement, it is expressly understood and agreed that the Hannibal Defendants are not admitting any liability or wrongdoing whatsoever to Plaintiffs, any member of the Settlement Classes, or any other person or entity, and is not admitting the truth of any allegations or circumstances, nor are the Hannibal Defendants waiving any defense or affirmative defense.

58. This Settlement Agreement, and all negotiations, documents, and discussions associated with it, shall not be construed as, or deemed to be, evidence of any admission of any liability or wrongdoing on the part of the Hannibal Defendants or any of the Released Parties, or

of the truth or merit of any allegations or claims in the Lawsuit, or evidence of any admission on the part of Plaintiffs and the Settlement Classes that their potential claims lack merit, or the propriety of the certification of a damages or liability class in the Lawsuit; and shall not be offered or accepted as evidence of such in any litigation, arbitration, or other proceeding between or among Plaintiffs or members of the Settlement Classes and the Hannibal Defendants or any Released Party, and shall have no precedential value; provided, however, that nothing contained herein shall preclude use of this Settlement Agreement in any proceeding to enforce the Settlement Agreement. This paragraph shall survive any termination or rescission of the Settlement Agreement.

59. This Settlement Agreement constitutes the entire, complete, and integrated agreement between and among Plaintiffs, on behalf of themselves and the Settlement Classes, and the Hannibal Defendants with respect to the settlement of the Lawsuit, and is not subject to any condition not provided for in this Settlement Agreement. This Settlement Agreement supersedes all prior and contemporaneous negotiations and agreements and may not be modified or amended except by a writing signed by Plaintiffs and the Hannibal Defendants or their respective counsel.

60. This Settlement Agreement shall not be construed more strictly against any party to it merely because it may have been prepared by counsel for one of them, it being recognized that because of the arm's-length negotiations resulting in this Settlement Agreement, all parties to this Settlement Agreement have contributed substantially and materially to the preparation of it. All headings used in this Settlement Agreement are for reference and convenience only and shall not affect the meaning or interpretation of this Settlement Agreement.

61. The waiver by Plaintiffs, the Settlement Classes, or the Hannibal Defendants of any breach of this Settlement Agreement shall not be deemed or construed as a waiver of any other breach of this Settlement Agreement, whether prior, subsequent, or contemporaneous.

62. This Settlement Agreement shall be construed, enforced, and administered in accordance with the substantive laws of the State of Missouri without reference to its conflict of laws principles.

63. This Settlement Agreement shall be binding upon, and inure to the benefit of, the successors and assigns of Plaintiffs and the Released Parties. Without limiting the generality of the foregoing, each and every covenant and agreement made herein by Plaintiffs shall be binding upon all members of the Settlement Classes and the Releasing Parties.

64. Any notice or materials to be provided to Plaintiffs or the Settlement Classes pursuant to this Settlement Agreement shall be sent by e-mail and overnight delivery to:

Jonathan B. Nace, Esq.
Nidel & Nace, PLLC
5335 Wisconsin Ave., NW
Suite 440
Washington, DC 20015
jon@nidellaw.com

or such other persons or addresses as Class Counsel may designate by giving notice to the other Parties.

65. Any notice or materials to be provided to the Hannibal Defendants pursuant to this Settlement Agreement shall be sent by e-mail and overnight delivery to:

Greg C. Mollett
Abby L. Risner
Greensfelder, Hemker, & Gale, P.C.
10 South Broadway, Suite 2000
St. Louis, MO 63102
gcm@greensfelder.com
alr@greensfelder.com

or such other persons or addresses as the Hannibal Defendants may designate by giving notice to the other Parties.

66. In entering into and executing this Settlement Agreement, Plaintiffs and the Hannibal Defendants warrant that they are acting upon their respective independent judgments and upon the advice of their respective counsel, and not in reliance upon any warranty or representation, express or implied, of any nature or kind by any other person or entity, other than the warranties and representations expressly made in this Settlement Agreement.

67. This Settlement Agreement may be executed in counterparts, each of which shall be deemed to be an original, and all of which together shall constitute one and the same instrument. A signature by facsimile or in PDF format will constitute sufficient execution of this Settlement Agreement.

IN WITNESS WHEREOF, the signatories have read and understood this Settlement Agreement, have executed it, represent that the undersigned are authorized to execute this Settlement Agreement on behalf of their respectively represented parties, have agreed to be bound by its terms, and have duly executed this Settlement Agreement.

05/30/18

Date

Oliver C Latta

Oliver Latta

05/30/18

Date

Vickie Brooks

Vickie Brooks

05/30/18

Date

Crystal L. Stephens

Crystal Stephens

06/01/18

Date

Christine Stolte

Christine Stolte

6-1-2018

Date



Class Counsel

Date

City of Hannibal

Date

Hannibal Board of Public Works

Date

Oliver Latta

Date

Vickie Brooks

Date

Crystal Stephens

Date

Christine Stolte

Date

Class Counsel

6-5-18

Date

Jan B. Hawk, Mayor
City of Hannibal

Date

Hannibal Board of Public Works

Date

Oliver Latta

Date

Vickie Brooks

Date

Crystal Stephens

Date

Christine Stolte

Date

Class Counsel

Date

City of Hannibal

5/23/18
Date

L. Rosenkranz
Hannibal Board of Public Works

Exhibit 2

IN THE CIRCUIT COURT OF THE COUNTY OF ST. LOUIS
STATE OF MISSOURI

NOTICE OF CLASS ACTION SETTLEMENT

The case is *Latta, et al. v. Hannibal Board of Public Works, et al.*
Case No. 16SL-CC01881

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

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT
These rights and options and the deadlines to exercise them are explained below.

SUBMIT A CLAIM Deadline: _____, 2018	By submitting a valid claim, you will be entitled to receive your portion of reimbursement from the Settlement Fund. You will give up the right to sue the Hannibal defendants in a separate lawsuit about the claims this Settlement resolves.
DO NOTHING	By doing nothing, you will give up the right to sue the Hannibal defendants in a separate lawsuit about the claims this Settlement resolves and you will not receive reimbursement from the Settlement Fund.
EXCLUDE YOURSELF Deadline: _____, 2018	You will receive no benefits, but you will not be giving up your legal claims against the Hannibal defendants.
OBJECT TO THE SETTLEMENT Deadline: _____, 2018	If you do not exclude yourself from the Settlement, you may write to the Court about why you do not like the settlement. You may also appear at the fairness hearing to ask to be heard by the Court.
ATTEND A HEARING On _____, 2018	Ask to speak in Court about the fairness of the settlement.

1. Why did I get this notice?

You received this notice because you have been identified as a current or former customer of Hannibal Board of Public Works that paid for or used water between September 2011 and February 2016.

A court authorized this Notice because you have a right to know about the proposed settlement of this class action lawsuit and about all of your options before the Court decides whether to grant final approval to the Settlement. This Notice explains the lawsuit, the Settlement, your legal rights, what benefits are available, and who can get them.

2. What is this lawsuit about?

Plaintiffs Oliver Latta, Vickie Brooks, Crystal Stephens, and Christine Stolte (“Plaintiffs”), filed a class action case against the City of Hannibal, Hannibal Board of Public Works and the Missouri Department of Natural Resources regarding the quality of water between September 2011 and February 2016. This notice relates to a settlement between the City of Hannibal and Hannibal Board of Public Works (the “Hannibal Defendants”) and a dismissal of claims against a third named defendant, the Missouri Department of Natural Resources. The Hannibal Defendants deny all of the allegations in the case.

3. Why is this a class action and why is there a settlement?

In a class action, one or more people called a Class Representative (in this case, the Plaintiffs), sue on behalf of a group (or a “Class”) of people who have similar claims. The people included in the class action are called a Class or Class Members. One court resolves the issues for all Class Members, except for those who exclude themselves from the Classes. The Court did not decide in favor of the Plaintiffs or Defendants. Instead, in order to avoid the cost, risk, and delay of litigation, the parties agreed to settle the case.

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

The Court has decided that everyone falling under the following definitions are Class Members:

RATE-PAYER CLASS:

All current residents of the State of Missouri who, at any time between September 1, 2011 and February 28, 2016, were billed and paid for water provided by the City of Hannibal, Missouri public water supply system.

MEDICAL-MONITORING CLASS:

All current residents of the State of Missouri who, for a minimum period of three years, between the dates of September 2011 and February 2016, resided in the City of Hannibal, and drank and/or bathed in water provided by the City of Hannibal, Missouri public water supply system.

You have been identified as an individual who may be a member of one or both of the above-mentioned classes.

The settlement does not include: (A) the Hannibal Defendants; (B) any person, firm, trust, corporation, officer, member, director or other individual or entity in which the Hannibal Defendants have a controlling interest; (C) counsel for the Parties; (D) the key representatives associated with this matter on behalf of the Escrow Agent identified below; (E) the judge, the judge's immediate staff and judge's immediate family; and (F) the legal representatives, agents, successors-in-interest or assigns of any such excluded party.

YOUR BENEFITS UNDER THE SETTLEMENT

5. What can I get from the settlement?

Under the terms of the settlement, the Court will enter a consent judgment in favor of the Rate Payer Class, which the Hannibal Defendants shall not oppose, requiring the Hannibal Defendants jointly to commit a minimum of \$5,000,000 to investigate and implement water quality improvements. The improvements will include a focus on reducing or replacing chloramination as a primary water disinfection methodology.

In addition, a \$205,000 settlement fund has been established by the Hannibal Defendants under the terms of the settlement. The settlement fund is to be distributed to reimburse, on a pro rata basis as available from the fund, all class members who submit a valid claim as part of the Medical-Monitoring Class for their out-of-pocket costs for a voluntary urinalysis for blood and urine cytology administered by [REDACTED], 2018, minus any amounts covered by insurance or other payee source.

The Hannibal Defendants will also agree to pay each Class Representative up to \$4,000 for serving as a Class Representative. The Hannibal Defendants will agree to pay Class Counsel \$309,000 in attorney's fees and costs, as well as any amount remaining in the Medical-Monitoring settlement fund after claims are processed. The amount of the Class Representatives' service award and attorney's fees and costs awarded by the Court will not reduce the amounts to which each class member may receive, and are subject to court approval.

6. I want to be a part of the settlement and receive these benefits. What do I do?

You will need to submit a valid and completed claim form. The claim form is available online at www.XXXXXXXXXX, and can be mailed to: XXXXXXXXXXXX or completed and submitted online. The claim form provides additional information for what must be submitted for reimbursement. Claim forms are also available by calling 1- - - -. Your claim must be submitted online no later than, or via U.S. Mail with a postmark on or before, [REDACTED].

7. What am I giving up to receive these benefits?

By staying in a class, all of the Court's orders will apply to you, and you will give the Hannibal Defendants a "release" from all valid claims you may have had against them

pertaining to the claims in the Lawsuit and the water quality between September 2011 and February 2016. A release means you cannot sue or be part of any other lawsuit or proceeding against the Hannibal Defendants asserting claims based upon the claims or issues in this proceeding.

Plaintiffs are dismissing Defendant Missouri Department of Natural Resources without prejudice. You may pursue a claim against the Missouri Department of Natural Resources if you bring your claim in a timely fashion. The Missouri Department of Natural Resources is not contributing any monetary value or promising any act as part of the Settlement between the Hannibal Defendants and the Proposed Classes.

8. What are the released claims?

If and when the Settlement becomes final, members of the Settlement Classes will permanently release the City of Hannibal and Hannibal Board of Public Works, and their respective past and present officers, directors, board or council members, agents, employees, contractors, insurers, legal representatives, trustees, parents, associates, affiliates, joint ventures, subsidiaries, divisions, partners, heirs, executors, administrators, purchasers, predecessors, successors, legal representatives, contractors and assigns from any and all manner of claims, demands, judgments, actions, suits, obligations, promises and causes of action, whether individual, class, or otherwise in nature, for damages whenever incurred, and for liabilities of any nature whatsoever, including for penalties, fines, charges, costs, expenses, injunctive relief, declaratory relief, attorneys' fees, claims for contribution or indemnification, or the like, whether known or unknown, suspected or unsuspected, in law or equity, that any class member ever had or now has arising out of or relating in any way to: (i) any and all claims, demands, obligations, actions, or causes of action asserted in the Lawsuit; and/or (ii) any and all claims, demands, obligations, actions, or causes of action (including but not limited to, negligence, negligence per se, strict liability, abnormally dangerous activity, willful and wanton misconduct, intentional infliction of emotional distress, negligent infliction of emotional distress, civil conspiracy, declaratory relief, punitive and other damages, injunctive relief of any kind, attorney fees, costs and expenses, or obligations or other matters of whatever nature, whether based on contract, tort, statute, regulation, common law, equity, or other law) arising out of the factual allegations that gave rise to the basis for the claims made for damages asserted in this Lawsuit. All past, current or future personal injury claims, property damage claims, and loss of use or enjoyment claims are excluded from the released claims.

9. What if I do nothing?

If you are a member of one of the Settlement Classes and you do nothing, you will give up the rights explained in Question 7, including your right to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against the Hannibal Defendants about the legal issues in this case. In addition, you will not receive a payment as explained in Question 5.

EXCLUDING YOURSELF FROM THE SETTLEMENT

If you don't want to receive the benefits of the settlement but you want to keep all of your legal claims against the Hannibal Defendants, then you must take steps to get out of the settlement. This is called excluding yourself.

10. How do I exclude myself from the settlement?

To exclude yourself from the settlement, you must send a letter by mail stating that you want to be excluded from *Latta, et al. v. Hannibal Board of Public Works, et al.*, Case No. 16SL-CC01881. Be sure to include your name, address, telephone number, and your signature. You must mail your exclusion request so that it is postmarked **no later than** _____, and send it to XXXXXX. Be sure to include the name of the case and the case number.

11. If I exclude myself, do I still receive benefits from this settlement?

No. You will not receive anything resulting from the settlement of this case, but you may retain any rights you originally had to sue the Hannibal Defendants over the claims raised in this case on your own in a different lawsuit or proceeding.

THE LAWYERS REPRESENTING YOU

12. Do I have a lawyer in this case?

The Court has named Chris Nidel, Jonathan Nace, Daniel Ryan, Steven German and Joel Rubenstein as Class Counsel. If you want to be represented by your own lawyer, you may hire one at your own expense. If you choose to hire your own lawyer, he or she must file an appearance by _____.

13. How will the lawyers be paid?

Class Counsel will be paid up as explained in Question 5. This amount is subject to the Court's approval. The amount of fees paid to the lawyers will not impact the amount each class member who submits a valid claim will receive.

OBJECTING TO THE SETTLEMENT

If you do not request exclusion and are a member of a Settlement Class, you can tell the Court that you do or do not agree with the settlement or some part of it.

14. How do I tell the court that I do or do not like the Settlement?

If you wish to object to the settlement, no later than [REDACTED], 2018, you must file an objection with the Circuit Court of St. Louis County, Missouri at 105 S. Central Avenue, Clayton, Missouri 63105. The written objection must include: (i) your full name and address; (ii) information sufficient to confirm you as a member of one of the Classes; (iii) a statement of all grounds for the objection, with a detailed description of the facts and legal authorities underlying each objection; (iv) a statement confirming whether you intend to appear at the final Fairness Hearing at [REDACTED] a.m. on [REDACTED], 2018; and (v) your signature or the signature of your duly authorized attorney or other duly authorized representative. A copy of your objection must also be sent by mail, postmarked no later than [REDACTED], to the attorneys for the Class (INSERT) and the attorneys for the Hannibal Defendants (Greensfelder, Hemker & Gale, P.C., Attn: Abby Risner, 10 South Broadway, Suite 2000, St. Louis, Missouri 63102), and the settlement administrator (XXX [REDACTED]). Any Class Member who does not request exclusion may, if the member so desires, enter an appearance through counsel, at his/her expense.

THE FAIRNESS HEARING

The Court will hold a hearing to decide whether to approve the settlement. You may attend if you wish, but you are not required to do so.

15. Where and when is the fairness hearing?

The Court will hold a fairness hearing on [REDACTED], 2018 at [REDACTED]. The purpose of the hearing will be for the Court to determine whether the proposed settlement is fair, reasonable and adequate and in the best interests of the classes and to determine the appropriate amount of compensation for the Class Counsel. At that hearing, the Court will be available to hear any objections and arguments concerning the fairness of the proposed settlement. The hearing may be postponed to a later date without notice.

YOU ARE NOT REQUIRED TO ATTEND THIS HEARING.

GETTING MORE INFORMATION

16. How do I get more information?

You can visit the settlement website at [REDACTED], or call toll-free at 1-800-xxx-xxxx, if you have any questions or would like to review more detailed information, including the settlement agreement.

17. What if I have a new address?

If this notice was sent to you at your current address, you do not have to do anything more to receive further notices concerning this case. However, if this notice was forwarded to you, or if it was otherwise sent to you at an address that is not current, you should immediately send a letter to:

XXXXXXXXXX