

pdg

**IN THE CIRCUIT COURT
FOR HOWARD COUNTY, MARYLAND**

JASON W. ROYAL, et. al.)

TRUE COPY TEST

and all others similarly situated)

Plaintiffs,)



v.)

Civil No: 13-C-04-059581 OC

EASTERN HOMES, INC., et. al.)

Defendants.)

**ORDER OF FINAL APPROVAL OF CLASS ACTION SETTLEMENT FOR
CLASS I AND CLASS II WITH EASTERN HOMES, INC.**

On June 26, 2008, this Court granted preliminary approval to the proposed class action settlement between Plaintiffs and Defendants. The Settlement resolves all of the Settlement Class' claims in exchange for Defendants' commitment to pay the following: Defendant(s) will retro-fit the Class I and II settlement members' homes with a new anchoring system designed to make the homes safe and bring them into compliance with any applicable HUD and COMAR Building Codes, if needed. Additionally, Defendant(s) have already paid \$30,000 towards the administrative costs in this matter and have additionally agreed to establish and fund a Settlement Trust in the amount of \$710,000.00 for Class I and \$140,000 for Class II which is considered part of the common fund created as a result of the *Royal* Action (the other part being the in kind contribution of goods and services to bring homes into compliance with any HUD and COMAR tie-down standards as contemplated in the anchor retro-fit to be consummated over a three year period). Of this amount, \$115,000 shall be set aside for putative payments to Class I members and incentive payments to class representatives.

IT IS HEREBY ADJUDGED, ORDERED AND DECREED that:

2850007

1. This Court has jurisdiction over the claims of the Settlement Class Members asserted in this proceeding, personal jurisdiction over the settling parties (including the Settlement Class Members) and subject matter jurisdiction to approve the Settlement Agreement;

2. In accordance with Maryland Rule of Civil Procedure 2-231 (a) and (b)(3) this Court makes the following findings of fact:

a. "Class I" is defined as:

All persons in Maryland whose manufactured home was installed by Eastern Homes, Inc. in Maryland on or after August 25, 2000 and any person or entity with Similar Claims to those of the Named Plaintiffs in the *Royal* Action Class I and: 1) does not have footings under each pier that extend below the locally established frost line; or 2) does not have load carrying portions of the ground anchors that extend below the locally established frost line; or 3) does not have ground anchors which utilize either a stabilizer plate or a concrete cylindrical collar; or 4) does not have anchoring equipment that is capable of resisting an allowable working load equal to or exceeding 3,150 pounds and capable of withstanding a 50 percent overload (4,725 pounds total) without failure of either the anchoring equipment or the attachment point on the manufactured home; or 5) any person or entity with similar claims to those of the Named Plaintiffs in the *Royal* Action. Excluded from both Class I are the following: (i) Defendant, any person, firm trust, corporation or other entity affiliated with Defendant; (ii) any claims for actual personal injuries (any applicable statute of limitations will apply to these claims and the filing of this class action did not toll such claims), and (iii) class members who timely opt-out of any stipulation.

"Similar Claims" shall mean and include all claims by any person or entity, whether filed or un-filed, which are the same as or substantially similar to the underlying claims of the Named Plaintiffs in the *Royal* Action or which seek relief for damages that are the same as or substantially similar to those alleged by the Named Plaintiffs in the *Royal* Action. Similar Claims shall include and encompass any claim for damages, injunctive or declaratory relief arising out of Eastern Homes, Inc.'s alleged improper installation of a mobile home on or after August 25, 2000 and in which claimant(s) seek(s) repair or correction, or money damages for the repair or correction, of damage to the mobile home or the defective conditions allegedly caused by the installation. "Similar Claims" does not include claims for bodily injury.

“Class II” is defined as:

All persons who live in Maryland who are not members of Class I (including any person or entity with Similar Claims to those of the Named Plaintiffs in the *Royal* Action Class II) and whose manufactured home was installed by Eastern Homes, Inc. in Maryland before August 25, 2000 and: 1) does not have footings under each pier that extend below the locally established frost line; or 2) does not have load carrying portions of the ground anchors that extend below the locally established frost line; or 3) does not have ground anchors which utilize either a stabilizer plate or a concrete cylindrical collar; or 4) does not have anchoring equipment that is capable of resisting an allowable working load equal to or exceeding 3,150 pounds and capable of withstanding a 50 percent overload (4,725 pounds total) without failure of either the anchoring equipment or the attachment point on the manufactured home; or 5) any person or entity with similar claims to those of the Named Plaintiffs in the *Royal* Action as defined in Section 1.19 of the Class Settlement Agreement. Excluded from Class II are the following: (i) Any Defendant, any person, firm trust, corporation or other entity affiliated with any Defendant; (ii) any claims for actual personal injuries (any applicable statute of limitations will apply to these claims and the filing of this class action did not toll such claims); and (iii) any class members who timely opt-out of any stipulation.

“Similar Claims” shall mean and include all claims by any person or entity, whether filed or un-filed, which are the same as or substantially similar to the underlying claims of the Named Plaintiffs in the *Royal* Action or which seek relief for damages that are the same or substantially similar to those alleged by the Named Plaintiffs in the *Royal* Action. Similar Claims shall include and encompass any claim for damages, injunctive or declaratory relief arising out of Eastern Homes, Inc.’s alleged improper installation of a mobile home before August 25, 2000 and in which claimant(s) seek(s) repair or correction, or money damages for the repair or correction, of damage to the mobile home or the defective conditions allegedly caused by the allegedly improper installation. “Similar Claims” does not include claims for bodily injury.

- b. The Class is so numerous that joinder of all members is impracticable;
- c. “Released Persons” shall have the same meaning as defined in the Settlement Agreement;
- d. There are questions of law and/or fact common to the Class;

e. The claims of named Plaintiffs John and Cordelia Walser and Lawrence Corwin (Class I) and Jason Royal, Leonard and Melinda Stewart and Hamilton “Buddy” Shoop (Class II) are typical of the claims of the Class;

f. Named Plaintiffs will fairly and adequately protect the interests of the Class;

g. The questions of law and/or fact common to the members of the Class predominate over any questions affecting only individual members;

h. A class action is superior to other available methods for the fair and efficient adjudication of this controversy;

i. Jon D. Pels, Esq., Lawrence J. Anderson, Esq. and Pels Anderson, LLC shall serve as Class Counsel with responsibility for overseeing and implementing the plan of Settlement.

3. This Court confirms that the applicable requirements of the Maryland Rules of Civil Procedure 2-231 have been satisfied with respect to the Settlement Class. Accordingly, the Court makes final its June 26, 2008, Preliminary Approval Order with respect to the settlement class’ claims against Defendants for purposes effectuating the Settlement.

4. Notice given to the Settlement Class constituted the best notice practicable and a full opportunity has been afforded for those who wished to be heard in this matter to be heard. Accordingly, the Court determines that all members of the certified Settlement Class, except those members who have timely excluded themselves, are bound by this Order of Final Approval of Class Action Settlement.

5. The Court finds that following claimants have opted out of the class action settlement and are not bound by its terms: None.

A copy of this Order shall be sent to each of the persons whether their attempt at opting-out was sustained or not.

6. The Court hereby grants final approval to the Settlement and finds that it is fair, reasonable and adequate, and in the best interests of the Settlement Class as a whole.

7. Upon entry of this Order, the Release provisions set forth in the Settlement Agreement shall be given full force and effect.

8. In addition to any recovery they may have under the Settlement Agreement, and in recognition of their efforts on behalf of the Settlement Class, the Court approves the incentive payments as provided for in the Settlement Agreement.

9. The attorney's fees and costs, and costs of administration filed under separate Motion (the specific amount of which shall be awarded under separate Order) shall be paid as a priority immediately upon the expiration of the allotted time to appeal this Order.

10. Without affecting the dismissal with prejudice of this case, the Court reserves continuing and exclusive jurisdiction over the parties to the Settlement Agreement to administer, supervise, construe and enforce the Settlement Agreement in accordance with the mutual benefit of the parties;

11. The Settlement Agreement is expressly incorporated herein by this reference, and has the full force and effect of an Order of this Court. The parties shall consummate the Settlement Agreement according to its terms;


12. As to the Defendants, and except as to Settlement Class members who have timely requested exclusion from the Class, the operative Complaint in this action is dismissed with prejudice and without costs;

13. In the interests of justice, there being no just reason for delay, this Court

expressly directs the Clerk of Court to enter this Order of Final Approval of Class Action Settlement, and hereby decrees, that upon entry, it be deemed as a final judgment and appealable in accordance with the terms of the Settlement Agreement.

IT IS SO ORDERED.

Dated: *October 02, 2008*


Honorable Lenore Gelfman
Circuit Court for ~~Anne Arundel~~ *Howard*
County, Maryland

ENTERED

OCT. 7. 2008

CLERK, CIRCUIT COURT
HOWARD COUNTY

Copies to:

Jon D. Pels, Esq.
Lawrence J. Anderson, Esq.
4833 Rugby Avenue
Fourth Floor
Bethesda, MD 20814
Counsel for the Plaintiffs

Raymond Burke, Esq.
Ober Kaler et. al.
120 East Baltimore Street
Baltimore, Maryland 21202

Frank Daily, Esq.
11350 McCormick Road
Suite 704
Hunt Valley, MD 21031
Attorney for Penn National Insurance Company

Thomas McCarron, Esq.
250 W. Pratt St.
Baltimore, MD 21201
Attorney for American Modern Insurance Co.

Ami C. Dwyer, Esq.
FRANKLIN & PROKOPIK
Two North Charles Street, Suite 600
Baltimore, MD 21201
Attorney for Eastern Homes, Inc.

Patrick C. Smith, Esq.
Michael A. Stodghill, Esq.
502 Washington Avenue, Suite 200
Towson, MD 21204
Attorney for Defendants Gilbert A. Mobley, Sr. et al.

James K. Archibald, Esq.
VENABLE LLP
Two Hopkins Plaza, Suite 1800
Baltimore, MD 21201-2978
Attorney for Proposed Settled Party Maple Park