

If you received water service from the Metropolitan District Commission in East Granby, Farmington, Glastonbury or South Windsor between March 6, 2012 and October 1, 2014, a class action lawsuit may affect your rights.

A court authorized this Notice. It is not a solicitation from a lawyer.

- A settlement has been proposed in a class action lawsuit pending in the State of Connecticut Superior Court, Complex Litigation Docket of the Judicial District of Hartford. The lawsuit alleges that the Metropolitan District Commission (“MDC”) entered into implied contracts with customers and breached those implied contracts by charging water service customers in four towns (East Granby, Farmington, Glastonbury, and South Windsor) an unlawful surcharge (the “Surcharge”) on these customers’ water bills.¹
- You are included in this lawsuit as a “Class Member” if you are or were the property owner and were charged the Surcharge by the MDC on your water bill in a non-member town from March 6, 2012 through October 1, 2014. Certain sets of individuals are excluded from the definition of the Class and are not Class Members, as explained in Question 6 below. You are receiving this Notice because the MDC’s records show that you may be a Class Member.
- Your legal rights are affected whether you act or don’t act. Read this notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS	
DO NOTHING; REMAIN IN THE CLASS AND RECEIVE COMPENSATION	You do not need to do anything (other than keep your address updated with the Settlement Administrator) to stay in the Class and receive a credit on your MDC account (for Current MDC Customers) or payment (for Former MDC Customers) as detailed in Question 8 below under “WHAT BENEFITS ARE PROVIDED?”. You will be bound by all orders and judgments of the Court and will

¹ Capitalized terms used herein are defined in Paragraphs 1 through 34 of the Settlement Agreement, available at www.paetzoldsettlement.com.

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	release your claims against the MDC related to this lawsuit as described under Question 10 below.
EXCLUDE YOURSELF	You may elect to remove yourself from this class action by following the steps outlined in Question 11 below under “EXCLUDING YOURSELF FROM THE CLASS” postmarked by AUGUST 19, 2020 . In that event, you will not receive a credit on your MDC account or payment, but you may pursue your own relief or participate in another lawsuit. This is the only option that allows you to be part of any other lawsuit against the MDC about the legal claims in this case.
OBJECT	Write to the Court about any aspect of the Settlement, request for attorneys’ fees or request for class representative service award you don’t think is fair, adequate, or reasonable. If you object to any aspect of the Settlement, you must submit a written Objection by AUGUST 19, 2020 . See Question 15 below.
Go to a Hearing	Speak to the Court about the Settlement at the final approval hearing as detailed in Question 19 below. If you object to any aspect of the Settlement, you must first submit a written Objection by the Objection Deadline noted above.

- These rights and options—**and the deadlines to exercise them**—are explained in this notice.

BASIC INFORMATION

1. Why was this notice issued?

This notice was issued because the Parties to a class action lawsuit have reached a proposed settlement, subject to Court approval. The Court has already decided that this lawsuit may proceed as a class action. If you were charged a non-member town Surcharge by the MDC on your water bill during the period from March 6, 2012 through October 1, 2014, your legal rights will be affected by this lawsuit. This notice explains your legal rights and options.

Judge Thomas Moukawsher of the State of Connecticut Superior Court is overseeing this case. The case is known as *Paetzold v. Metropolitan District Commission*, Case No. X07-HHD-CV-18-6090558-S. The people who sued are called the Plaintiffs. The municipal corporation they are suing, the MDC, is called the Defendant.

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2. What is a class action?

In a class action lawsuit, one or more people called “Class Representatives” (in this case, William Paetzold and Laurie Paetzold) sue on behalf of a class of persons having similar claims. Together, these people are called a “Class” or “Class members.” To avoid the need for multiple lawsuits, one court resolves the issues for all persons in the Class. Class actions allow persons to band together to collectively pursue relief against a defendant.

THE CLAIMS IN THE LAWSUIT

3. What is the lawsuit about?

The Connecticut Supreme Court previously decided in a lawsuit filed by the Town of Glastonbury that, during the time period from March 6, 2012 through October 1, 2014, the non-member town Surcharge was illegal under the MDC’s Charter as in effect prior to October 1, 2014. Plaintiffs allege that by charging the non-member town Surcharge during this time, the MDC breached implied contracts between the MDC and its customers. The total amount of Surcharges charged by the MDC during the Class Period totaled approximately \$7,518,153. The MDC denies that it had implied contracts with its customers or breached them by charging the non-member town Surcharge during this time. The MDC also asserts other defenses to Plaintiffs’ claims, but has agreed to a proposed Settlement as explained in this notice.

4. Has the Court decided who is right?

No, the Court has not decided whether the MDC is liable to Plaintiffs or the Class. The MDC continues to deny that it has acted illegally in any fashion. However, after considering the risks and costs of further litigation, Plaintiffs and the MDC have concluded that it is in everyone’s best interest that the Plaintiffs’ and Class Members’ claims be settled and dismissed on the terms of the Settlement. Plaintiffs and their counsel believe that the terms and conditions of the Settlement are fair, reasonable, adequate, and equitable, and that the Settlement is in the best interest of the Settlement Class. The Court has granted preliminary approval of the proposed Settlement and has ordered that notice be provided to Class Members to explain it.

WHO IS IN THE CLASS?

5. Am I part of the Class?

Generally, you are included in this lawsuit as a “Class Member” if you are or were the property owner and were charged a non-member town Surcharge by the MDC on your water bill during the time period from March 6, 2012 through October 1, 2014 (the “Settlement Class Period”). If you are or were the property owner and received this Notice by email or received a postcard about the Settlement in the mail and it was addressed to you, the MDC’s records indicate that you are a Class Member, subject to the exclusions below. If you did not receive an email or a postcard notifying you of the Settlement but believe that you are a Class Member, please contact the Settlement Administrator.

If you are a tenant or other person who made payment of one or more water bills for a property that you did not own, you are not a Class Member, even if you received notice of the Settlement.

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If you believe you are entitled to a refund from the property owner for amounts you paid that the property owner might be entitled to recover in this settlement, you should discuss that matter with the property owner.

6. Are there exceptions to being included?

Yes, specifically excluded from the Class definition at this time are: (1) the MDC, as well as any parent companies, subsidiaries, or affiliated companies of the MDC and any of the MDC's officers, directors, agents, or employees; (2) the judicial officers to whom this case is assigned and any members of their staffs and immediate families; (3) any heirs, assigns, or successors of any of the persons or entities described in parts (1) and (2) of this paragraph.

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

If you are still not sure whether you are included, you can get free help at www.paetzoldsettlement.com, by calling toll-free: **1-(888)-383-0310**, or by writing to Paetzold v. MDC, c/o JND Legal Administration, PO Box 91208, Seattle, WA 98111.

WHAT BENEFITS ARE PROVIDED UNDER THE SETTLEMENT?

8. What benefits are provided to Class Members under the terms of the Settlement?

If you are a Class Member and you do not opt-out of the Class (as discussed in Question 11 below), you are automatically entitled to receive compensation as set forth below assuming that the MDC (for Current MDC Customers) or the Settlement Administrator (for Former MDC Customers) has your current address. You may update your address by contacting the Settlement Administrator at www.paetzoldsettlement.com or **1-(888)-383-0310**. If you are a current customer of the MDC and received notice by email, or if you received a postcard in the mail from the Settlement Administrator at your current address, you do not need to take any additional steps or file any form to receive these benefits.

- If you are a current customer of the MDC (regardless of whether you have moved to a new address), you will receive a credit on your MDC water service account equal to 103% of the amount you paid in non-member town surcharges during the Settlement Class Period, subject to potential pro rata adjustment as explained in Question 14 below. Any remaining credit will continue to be applied to consecutive subsequent billing cycles until all of the credit has been used. If you move after the credit is applied to your MDC account, the credit will be transferred to the account of the purchaser of the property (and the credit can be accounted for at the closing of the purchase of the property by the buyer and seller in whatever manner they so choose).
- If you are a former (but not current) customer of the MDC, you will receive payment by check of 100% of the amount you paid in non-member town Surcharges during the Settlement Class Period, subject to potential pro rata adjustment as explained in Question 14 below. In order for you to receive this payment, the Settlement Administrator must have a current address at which to mail you a check when it is ready to issue payments.

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Full details of the benefits provided are set forth in the Settlement Agreement available at www.paetzoldsettlement.com or by calling **1-(888)-383-0310**. Credits and payments will be made if the Court approves the Settlement and after any appeals are resolved. Please be patient.

IF YOU DO NOTHING

9. What happens if I do nothing?

If you do nothing and paid the non-member town Surcharge, you will be included in the Settlement Class and will receive credit on your MDC account or a payment by check from the Settlement Administrator as described in Question 8 above, as long as the MDC (for Current MDC Customers) or the Settlement Administrator (for Former MDC Customers) has your current address. You will not be able to pursue any other lawsuit against the MDC concerning or relating to the claims alleged in this lawsuit, as described in more detail below.

HOW YOUR LEGAL RIGHTS WILL BE AFFECTED

10. How will my legal rights be limited by the proposed settlement?

IF THE PROPOSED SETTLEMENT IS APPROVED AND YOU DO NOT EXCLUDE YOURSELF, YOU WILL LOSE THE RIGHT TO BRING A LEGAL CLAIM AGAINST THE MDC RELATING TO THE SURCHARGE.

If you do not exclude yourself (see Question 11 below) and the proposed settlement is approved, you will be in the “Settlement Class.” That means that you will not be able to sue or be part of any other lawsuit against the MDC about the legal issues in this case. All of the Court’s orders will apply to you and legally bind you. You will “release and discharge” the “Releasees” from any and all claims arising from or relating in any way to your payment of the Surcharges as a customer of the MDC from when you first became a customer of the MDC in any Non-Member Town through and including October 1, 2014. You will also release any future claim that the MDC was not permitted to take into account the Compensation (i.e., credits on MDC accounts and payments by check from the Settlement Administrator) applied in the Settlement in setting its future water rates systemwide for all MDC customers (in both Member and Non-Member Towns). All of this is described in further detail in Paragraphs 47-51 of the Settlement Agreement. The Settlement Agreement specifically describes the Released Claims in necessarily accurate legal terminology. A complete copy of the Settlement Agreement can be obtained from the settlement website at www.paetzoldsettlement.com, or from the Settlement Administrator at **1-(888)-383-0310**. Talk to Settlement Class Counsel (see Question 12 in the section on “The Lawyers Representing You” below) or your own lawyer if you have questions about the Released Claims or what they mean.

EXCLUDING YOURSELF FROM THE CLASS

11. How do I get out of the class?

To exclude yourself from the Class, you must no later than by **August 19, 2020** either send a letter by mail saying that you want to be excluded from *Paetzold v. Metropolitan District Commission* or submit a request to be excluded using the online exclusion request form available at

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www.paetzoldsettlement.com. Be sure to include your name, address, telephone number, MDC account number if you have it, and your signature. (If you submit an online exclusion request form, typing your name in the signature box will constitute your legal signature). If you send a letter, you must mail your exclusion request postmarked no later than **August 19, 2020** to:

Paetzold v. MDC
c/o JND Legal Administration
PO Box 91208
Seattle, WA 98111

**REQUESTS FOR EXCLUSION THAT ARE NOT POSTMARKED ON OR BEFORE
AUGUST 19, 2020 WILL NOT BE HONORED.**

You cannot exclude yourself by telephone or by email. You cannot exclude yourself by mailing a request to any other location. You cannot exclude yourself by mailing a request or submitting the online form after the deadline.

If you exclude yourself, you will not get any credit or payment discussed in Question 8 above, and you will not be legally bound by anything that happens in this lawsuit. You may be able to sue (or continue to sue) the MDC in the future or pursue other relief for what is alleged in this case. **Unless you exclude yourself, you may not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against the MDC about any matters that are at issue in this case, ever again.**

THE LAWYERS REPRESENTING YOU

12. Do I have a lawyer if I remain in this case?

Yes. The Court has appointed the law firm IZARD KINDALL & RAABE LLP as Class Counsel to represent all Class members who remain in the case. Their contact information is below:

IZARD KINDALL & RAABE LLP
29 South Main Street, Suite 305
West Hartford, CT 06107
(860) 493-6292
www.ikrlaw.com

You will not be charged by these lawyers for their work on the case (but see Question 14 below).

13. Should I get my own lawyer?

If you remain in the case, Class Counsel will represent you and all other Class Members in this lawsuit. If you wish, you may hire your own lawyer to represent you at your own expense.

14. How will the lawyers be paid?

Class Counsel will ask the Court for attorneys' fees, expenses and costs of up to \$1,920,000 (25% of the total Settlement value.) Class Counsel will also ask the Court for a class representative Service Award in the amount of \$5,000 each for the Class Representatives (i.e., William Paetzold and Laurie Paetzold). Any such awards may reduce the credit on MDC accounts and check payments payable to Class Members. Specifically, the total value of the

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Settlement, including the dollar value of the credits to be applied to MDC accounts and cash payments set forth in Question 8 above and any class counsel fees and expenses and class representative awards, shall not exceed \$7,680,000, which is \$161,847 more than the total alleged Surcharges of \$7,518,153. If the amount awarded for class counsel fees, expenses and costs and class representatives' awards would cause the total settlement value to exceed \$7,680,000, the value of all credits and check payments to class members will be reduced pro rata. For example, if the Court were to award fees, costs and class representative service awards of \$1,500,000, the credits for current customers of the MDC totaled \$6,000,000 and cash payments to former MDC customers totaled \$1,000,000, for a total potential value of \$8,500,000, all credits and check payments to class members would be reduced by 11.7% (calculated as $\$8,500,000 - \$7,680,000 = \$820,000$, which is 11.7% of \$7,000,000).

OBJECTING TO THE PROPOSED SETTLEMENT

15. How do I tell the Court that I do not like the proposed Settlement?

If you are a Class Member and you do not exclude yourself (see Question 11 above), you can object to the proposed settlement if you do not think the proposed settlement is fair, reasonable or adequate. You may also object to any request by Class Counsel for attorneys' fees or for Service Awards for the Class Representatives.

You can ask the Court to deny approval of the proposed Settlement or any requested attorneys' fees or Class Representative awards by filing an objection. You cannot ask the Court to order a larger settlement; the Court can only approve or deny the settlement. If the Court denies approval to the Settlement, no settlement payments will be sent out and the lawsuit will continue. If that is what you want to happen, you must object. The Court can approve the Settlement while disallowing or reducing any requested attorneys' fees or Class Representative awards.

Any objection must be in writing. You may also appear at the Final Approval Hearing (as discussed in Question 19 below), either in person or through your own attorney, at your own expense, if the Court allows. If you appear through your own attorney, you are responsible for paying that attorney. All written objections and supporting papers must: (1) clearly identify the case name and number (Paetzold v. Metropolitan District Commission, Dkt. No. X07-HHD-CV-18-6090558-S); (2) identify the objector's full name, address, email address, and telephone number; (3) provide an explanation of the basis upon which the objector claims to be a Settlement Class Member; (4) identify all grounds for the objection, accompanied by any legal support for the objection; (5) include the identity of all counsel who represent the objector in relation to the objection (even if not appearing), including any former or current counsel who may seek compensation for any reason related to the objection to the Settlement, the fee application, or the application for Service Awards; (6) include a statement confirming whether the objector intends to personally appear and/or testify at the Final Approval Hearing; (7) include a list of any persons who will be called to testify at the Final Approval Hearing in support of the objection; (8) include all documentary evidence that will be offered at the Final Approval Hearing in support of the objection; (9) identify all counsel representing the objector who will appear at the Final Approval Hearing; (10) include the objector's signature (an attorney's signature is not sufficient); (11) be submitted to the Court either by mailing them to the Clerk of the Hartford Superior Court at 95 Washington St., Hartford, CT 06106, or by efileing by an authorized filer, or by filing them in person at the Hartford Superior Court, with a copy to MDC

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Counsel and Settlement Class Counsel; and (12) be filed or postmarked on or before **AUGUST 19, 2020**. In light of possible ongoing Court closures and restrictions in connection with Covid-19, please contact the Clerk's office at 860-548-2700 before visiting in-person to confirm operating hours.

If you object and the settlement is approved, you will still be entitled to receive benefits under the settlement if you qualify.

16. What is the difference between objecting and requesting to be excluded?

Objecting is simply telling the Court that you do not like something about the proposed settlement. You can object only if you do not exclude yourself. Excluding yourself is telling the Court that you do not want to be included in the Settlement Class. If you exclude yourself, you have no basis to object to the settlement because the settlement no longer affects you. If you object, and the Court approves the settlement anyway, you will still be legally bound by the result.

THE COURT'S FINAL APPROVAL HEARING

17. When is the Court's hearing concerning final approval of the Settlement?

The Court will hold a Final Approval Hearing on September 3, 2020 at 9:30 a.m. at the Superior Court, State of Connecticut, Judicial District of Hartford, 95 Washington Street, Hartford CT 06106, Courtroom #409. The date of the hearing may change. If you plan to attend, please check the settlement website at www.paetzoldsettlement.com or the Court's electronic docket at <https://civilinquiry.jud.ct.gov> or visit the Court Clerk's Office to confirm the date of the hearing. In light of possible ongoing Court closures and restrictions in connection with Covid-19, please contact the Clerk's office at 860-548-2700 before visiting in-person to confirm operating hours. At this hearing, the Court will consider whether the proposed Settlement is fair, reasonable and adequate. If there are objections, the Court will consider them. The Court may listen to people who have submitted timely requests to speak at the hearing. The Court may also decide how much Settlement Class Counsel will receive as attorneys' fees and expenses, and the amount of the Service Awards, if any, the Class Representatives will receive. At or after the hearing, the Court will decide whether to approve the proposed Settlement. We do not know how long these decisions will take.

18. Do I have to come to the hearing?

No. Class Counsel will answer questions the Court may have. But you are welcome to come at your own expense. If you send an objection, you do not have to come to the Court to talk about it. As long as you mailed your written objection on time, the Court will consider it.

19. May I speak at the hearing?

You may ask the Court for permission to speak at the Final Approval Hearing. To do so, you must send a letter saying that it is your "Notice of Intention to Appear in the Paetzold v. MDC case." You must include your name, address, telephone number and your signature, and your letter must identify the points you wish to speak about at the hearing, enclose copies of any documents you intend to rely on at the hearing, and state whether you intend to have a lawyer speak on your behalf. If you wish to speak in objection to the Settlement, you must also follow

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the requirements set forth in Question 15 above. You or your lawyer cannot speak at the hearing if you have excluded yourself from the Settlement.

GETTING MORE INFORMATION

20. Is more information about the lawsuit available?

Yes. This notice summarizes the proposed Settlement. For precise terms and conditions of the Settlement, please see the Settlement Agreement available at www.paetzoldsettlement.com. Additional information, including copies of documents filed with the Court, is also available at www.paetzoldsettlement.com. You may also call the Notice Administrator toll-free at **1-(888)-383-0310** or write to Paetzold v. MDC, c/o JND Legal Administration, PO Box 91208, Seattle, WA 98111, or contact Class Counsel as set forth in Question 12 above. The full docket is also available electronically at <https://civilinquiry.jud.ct.gov> or you may visit the Court Clerk's office at the Superior Court, State of Connecticut, Judicial District of Hartford, 95 Washington Street, Hartford CT 06106. In light of possible ongoing Court closures and restrictions in connection with Covid-19, please contact the Clerk's office at 860-548-2700 before visiting in-person to confirm operating hours.

21. What if there are changes to the proposed settlement?

If you wish to be notified regarding any changes to the proposed settlement, you must file with the Clerk of Court in the Civil Action a request for notice, or send such a request in writing to the Settlement Administrator or Class Counsel, who will maintain a list of such requests that are received. If you provide an e-mail address, you agree to electronic notification by e-mail.

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