

NOTICE OF PENDENCY AND SETTLEMENT OF CLASS ACTION

TO: ALL PERSONS OR ENTITIES WHO OR WHICH ARE WATER CUSTOMERS WITHIN THE CITY OF DETROIT AND ARE EXEMPT FROM THE INDUSTRIAL WASTE CONTROL CHARGE (IWC) YET WERE ASSESSED THE IWC DURING A PERIOD OF TIME FROM APRIL 13, 2020 THROUGH MAY 1, 2026. EXCLUDED FROM THE CLASS ARE THE STATE OF MICHIGAN, THE COUNTY OF WAYNE, MICHIGAN, DEFENDANT AND ANY ENTITIES CONTROLLED BY DEFENDANT.

THE THIRD CIRCUIT COURT FOR WAYNE COUNTY MICHIGAN (THE “COURT”) AUTHORIZED THIS NOTICE. THIS IS NOT A SOLICITATION FROM A LAWYER. THIS IS NOT A NOTICE THAT YOU HAVE BEEN SUED. THIS IS TO INFORM YOU THAT A CLASS ACTION HAS BEEN SETTLED FOR SIX HUNDRED THOUSAND DOLLARS (\$600,000) UNDER THE TERMS AND CONDITIONS DESCRIBED BELOW AND THAT ACCORDING TO THE RECORDS REVIEWED BY CLASS COUNSEL AS DESCRIBED BELOW, DEFENDANT’S COUNSEL, DEFENDANT AND THE COURT, YOU FIT INTO THE CLASS DEFINITION SET FORTH ABOVE AND WILL BE DEEMED PART OF THE CLASS UNLESS YOU EXPRESSLY EXCLUDE YOURSELF FROM THE CLASS IN WRITING PURSUANT TO THE INSTRUCTIONS BELOW.

The settlement is subject to Court approval, resolves a lawsuit over whether the Detroit Water & Sewerage Department (“DWSD”) can be held liable for restitution and reimbursement of IWC charges that erroneously were assessed Class Members during the time period above set forth. If you are a Class Member, your legal rights are affected by this settlement unless further steps are taken by you. Accordingly, read this notice carefully. This notice is also to inform you that the Court has scheduled a hearing on November 19, 2026 at 11:00 o’clock a.m. to determine whether the settlement should be determined as being fair, reasonable and adequate, whether the plan for allocation of the settlement funds is fair and reasonable and should be approved and whether the attorney fees and costs payable to the attorneys respecting the class under the settlement are fair and reasonable.

BACKGROUND OF THE ACTION

The factual basis of the lawsuit is that the Defendant had been charging IWC charges to entities and persons which or who were exempt from such charge. The Complaint sought to enjoin further charging of IWC charges to those persons and entities making up the class and sought restitution for reimbursement of such charges. The Complaint alleged breach of contract and unjust enrichment under a theory of restitution for involuntary payment, given the lien rights granted the Defendant under Michigan statutes to enforce payment of water and sewage charges. Based on such statutory lien rights, Plaintiffs’ lawyers contended that the payments made by Class Members were involuntary. Defendant does not contest these allegations for settlement purposes only.

THE REASONS FOR THE SETTLEMENT, PROPOSED SETTLEMENT AND PLAN OF ALLOCATION

Given the extensive discovery that would have to be continued as well as the relative risks inherent in both the Plaintiff(s) position and the Defendant's potential defenses, Plaintiffs and Defendant agreed to settle the lawsuit. That way they avoid the costs of trial, extensive discovery and complex legal issues as well as appeals by the named parties. Attorneys for Plaintiffs and Defendant have met and communicated in negotiating a resolution and mutually compiling information necessary to determine the extent and breathe of the class and the claims being made. Plaintiffs' lawyers believe that the proposed settlement is fair and reasonable and in the best interest of the class because the settlement creates a Six Hundred Thousand Dollar (\$600,000) settlement fund and avoids considerable risks and delays involved in continuing the lawsuit.

Defendant has agreed to settle this matter so that Defendant does not have to continue to spend money, time and effort on a lawsuit when it can give money to class members instead and resolve their claims.

SETTLEMENT BENEFITS – WHAT YOU GET

Defendant has agreed to create a Six Hundred Thousand Dollar (\$600,000) fund to settle the lawsuit. All of this money will be paid out by way of credit and cash as described hereinafter. The costs of administrating the settlement are to be borne exclusively by the Plaintiffs including necessary notices to class members and generation of data for purposes of allocating the credits to Class Members. The amount approved by the Court for Class Counsels' fees and expenses for their efforts on behalf of the class and incentive fees to named Plaintiffs will be the only sum deducted from the fund. The Class Counsel has not received any payment for their services in connection of the initiation of this litigation, nor have they been reimbursed for their out-of-pocket expenses. Class counsel will seek attorney fees and reimbursement of out-of-pocket expenses in the amount of \$150,000, which is one-fourth of the settlement fund and covers both fees and costs. Class counsel will also seek an incentive fee of \$5,000 for each of the named Plaintiffs as class representatives. From the net remaining fund of \$440,000, credits will be issued to all of those persons who make up the class excluding those Class Members who opt out as provided below. The credits will be determined as follows: The formula for that determination will be by taking the entire amount of the improper IWC charges covered by this settlement for the period of time covered by the settlement, determine each meter's percentage of that charge since April 13, 2020 through May 1, 2026 and then take that meter's percentage against \$440,000 to determine the credit applicable to each meter. For example, the entire amount of the IWC charges is \$671,762.10. If a meter's charge represents .10% of that amount, then .10% times \$440,000 would be \$440 representing the amount available to the owner of exempt property to which the meter is applicable.

Payments will not be made unless and until the Court grants final approval to the settlement and a Final Approval Order has been completed and entered and not appealed from. Any amounts that otherwise would have been available to Class Members who opt out of the class, will be disbursed by credits to all remaining settlement class members in conformity with the same formula as above set forth. Class Counsel will have a list of Class Members and an estimate of the total credits available on a per meter basis to eligible Class Members. It can be found at www.aaroncoxlaw.com. It is an estimate since, if an eligible Class Member opts out, that Member's credits will be allocated to the whole class per the formula above. This same list is also

available for review at the Law Offices of Mark K. Wasvary, P.C., 2401 W. Big Beaver Rd, Suite 100, Troy, MI 48084.

If you do not exclude yourself from the settlement, you will receive a credit as soon as the next billing following final approval and judgment in this case. The Court will hold a hearing on November 19, 2026 to decide whether to approve the settlement. Please note, however, if this settlement is approved it is possible that there might be an appeal by someone, therefore please be patient.

Unless you exclude yourself, you are staying in the class. That means you will give up any claims relating to the lawsuit and cannot individually sue the DWSD for charging the IWC charge to you. The Third Circuit Court for Wayne County, Michigan is in charge of the case and the case is known as “Independent Management Services, et. al. v City of Detroit, Water and Sewerage Department, Case No. 26-006117-CK” (the “Lawsuit”).

The people who sued are called the Plaintiffs and the City of Detroit is called the Defendant.

EXCLUDING YOURSELF FROM THE CLASS.

If you do not want credits from this settlement and instead want to keep your claims and right to sue the City of Detroit on your own, then you must take steps to get out of the class. This is called “excluding yourself from or opting out of the class”.

If you decide to exclude yourself from the class, you may hire your own lawyer at your own expense, Class Counsel cannot and will not represent class members who exclude themselves from the settlement. To exclude yourself from the class you must send a letter by first class mail stating that you want to be excluded from “Independent Management Services, et. al. v City of Detroit, Water and Sewerage Department, Case No. 26-006117-CK”. Be sure to include your name, address, telephone number, account number and your signature as well as the date. To be valid an exclusion request must be received no later than October 5, 2026 by the Class counsel and a copy to Defendant’s counsel at:

Class Counsel

Mark K. Wasvary, P.C.
2401 W. Big Beaver Rd., Suite 100
Troy, MI 48084

Defendant’s Counsel

Nikkiya Branch Penson
DWSD Deputy General Counsel
735 Randolph St.
Detroit, MI 48226

If you ask to be excluded from the class, you will not receive any settlement credit and you can not object to the settlement. If you exclude yourself, you will not be legally bound by anything that happens in this lawsuit.

The law firms that brought the lawsuit have been representing you and other class members, these lawyers are called Class Counsel and are Mark K. Wasvary from Mark K. Wasvary, PC and Aaron D. Cox of the Law Offices of Aaron D. Cox, PLLC. You can send any questions you might have to them by contacting Class Counsel at:

Plaintiff's Counsel

Mark Wasvary, Esq.
Mark K. Wasvary, P.C.
2401 W. Big Beaver; Suite 100
Troy, Michigan, 48084

Class Counsel have worked on this case so far without receiving any payments at all for their work or out-of-pocket expenses. Class Counsel will ask the Court for attorney fees plus reasonable out-of-pocket costs and expenses of up to one-fourth of the settlement fund for all of the work on the case. Defendant and Defendant's counsel have agreed that the fees are fair and reasonable under the circumstances and will not oppose the request. The payment of the fees will come out of the settlement fund.

OBJECTIONS TO SETTLEMENT

If you wish to object to the settlement rather than excluding yourself, you must file a written objection with the Civil Clerk's Office, Wayne County Circuit Court, 2 Woodward Ave., Detroit, MI 48226. Your objection must be postmarked by October 5, 2026, and must refer to the name and number of this case (Independent Management Services, et al v. City of Detroit, et. al., Case No. 26-006117-CK. You must also serve copies of your objection on Class Counsel and Defendant's attorney (at the addresses above), postmarked by the same date. Your objection must include your name, street address, all attorneys who assisted you in the preparation and filing of your objection, a list of all other class action cases in which you or your counsel have filed objections to settlements, and a statement of the reasons why you believe the Court should find that the proposed settlement is not in the best interests of the Settlement Class. It is not sufficient to simply state that you object; you must state the reasons why you believe the settlement should not be approved. Additionally, if you want the Court to consider your objection, then you must also appear at the final approval hearing via Zoom, on November 19, 2026, at 11:00 a.m. To join the Zoom hearing, go to www.3rdcc.org/zoom/civil. Scroll down to "Hon. Melissa A. Cox" and click "Virtual Hearing" at the scheduled date and time. **YOU ARE NOT REQUIRED TO ATTEND THIS HEARING UNLESS YOU OBJECT TO THE SETTLEMENT.** An objection is not an exclusion. The Court will make any findings regarding an objection and you will still be bound by the terms of the Settlement unless the Court determines otherwise.

COURT'S FAIRNESS HEARING

The Court will hold a final fairness hearing to decide whether to approve the settlement on November 19, 2026, at 11:00 a.m., via Zoom. To join the Zoom hearing, go to www.3rdcc.org/zoom/civil. Scroll down to "Hon. Melissa A. Cox" and click "Virtual Hearing" at the scheduled date and time. At that hearing, the Court will hear any timely and properly-filed objections and arguments about the settlement. You are not required to attend this hearing unless you object to the settlement. The hearing may be continued to a future date without further notice.

**IF YOU DO NOTHING AT ALL, YOU WILL BE CONSIDERED PART OF THE
SETTLEMENT CLASS AND YOU WILL RECEIVE CREDITS FROM THE
SETTLEMENT.**

GETTING MORE INFORMATION

This notice summarizes the most important aspects of the proposed settlement. For more detailed information, the complete Court file in the lawsuit is available at the Wayne County Circuit Court, 2 Woodward Ave, Detroit MI 48226. A complete copy of the Settlement Agreement and Order Preliminarily Approving Class Action Settlement is available on Class Counsels' website aaroncoxlaw.com. Should you have any questions in respect to this notice, the proposed settlement, or the litigation generally please address your request to Class Counsel for the class or to your own attorney. Do not contact the Court regarding these questions.

Dated: August 21, 2026

**BY ORDER OF THE WAYNE COUNTY CIRCUIT COURT FOR THE STATE OF
MICHIGAN**