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SUPERIOR COURT OF CALIFORNIA
COUNTY OF ORANGE
CENTRAL JUSTICE CENTER

JUL 05 2023

DAVID H. YAMASAKI, Clerk of the Court

BY: _____, DEPUTY

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF ORANGE**

GLENN LINDGREN, an individual,
CALVIN DUONG, an individual; ROBERT
TRUJILLO, an individual; KELLY
TRUJILLO, an individual; SANDRA
SMITH, an individual; DAN O'HARA, an
individual; EDEN O'HARA, an individual;
TODD PERRY, Individually and as Trustee
of the PERRY LIVING TRUST, and
ELIZABETH PERRY, Individually and as
Trustee of the PERRY LIVING TRUST; on
behalf of themselves and all others similarly
situated,

Plaintiffs,

vs.

SHEA HOMES, INC., a Corporation;
PLUMBING CONCEPTS, INC., a
Corporation; MUELLER INDUSTRIES,
INC., a Corporation; and DOES 1-100,

Defendants.

CASE NO. 30-2013-00649466-CU-CD-CXC

Assigned for all purposes to:
Judge Peter Wilson
Dept. CX-101

**ORDER GRANTING PRELIMINARY
APPROVAL OF CLASS ACTION
SETTLEMENT**

Hearing Date: June 29, 2023
Time: 2:00 p.m.
Dept.: CX-101

Complaint Filed: 05/09/2013

AND RELATED CROSS-CLAIM.

1 WHEREAS, Plaintiffs and Class Representatives Todd and Elizabeth Perry (individually
2 and as Trustees of the Perry Living Trust) (“Plaintiffs”), and Defendant Shea Homes, Inc.
3 (“Defendant”) have reached a proposed settlement and compromise of the disputes between them
4 in the above actions, which is embodied in the Settlement Agreement filed with the Court,
5 including modifications thereto (collectively attached hereto as **Exhibit “A”**, and hereinafter
6 referred to as the “Settlement Agreement”);

7 WHEREAS, the Court by Hon. Glenda Sanders (ret.) previously granted Plaintiff’s
8 motion for class certification on September 6, 2022, and duly appointed Bridgford, Gleason &
9 Artinian, Kabateck LLP, and McNicholas & McNicholas as Class Counsel, and duly appointed
10 Todd and Elizabeth Perry as class representatives,

11 WHEREAS, the Parties have applied to the Court for preliminary approval of a proposed
12 Settlement of the Action, the terms and conditions of which are set forth in the Settlement
13 Agreement;

14 WHEREAS, the Court has considered the Settlement to determine, among other things,
15 whether the Settlement is sufficient to warrant the issuance of notice to members of the Class (as
16 defined below);

17 AND NOW, the Court, having read and considered the Settlement Agreement and
18 accompanying documents and the motion for preliminary settlement approval and supporting
19 papers, and the Parties to the Settlement Agreement having appeared in this Court for hearings
20 on Preliminary approval of the Settlement (as amended) on June 29, 2023,

21 IT IS HEREBY ORDERED AS FOLLOWS:

22 1. The Court has jurisdiction over the subject matter of the Action, the Class
23 Representatives, Defendants, and all Class Members.

24 2. The Court grants preliminary approval of the terms and conditions contained
25 in the Settlement Agreement (hereinafter referred to as “Settlement Agreement”). The Court
26 preliminarily finds that the terms of the Settlement Agreement are within the range of possible
27 approval at the Final Approval Hearing.
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1 3. The Court preliminarily finds that the Settlement Agreement was the product
2 of serious, informed, non-collusive negotiations conducted at arms' length by the parties. In
3 making this preliminary finding, the Court considered the nature of the claims, the amounts and
4 kinds of benefits paid in settlement, the allocation of settlement proceeds among the class
5 members, and the fact that a settlement represents a compromise of the Parties' respective
6 positions rather than the result of a finding of liability at trial.

7 4. The Court further preliminarily finds that the terms of the Settlement
8 Agreement have no obvious deficiencies and do not improperly grant preferential treatment to
9 any individual class member.

10 5. Subject to further consideration by the Court at the time of the Final Approval
11 Hearing, the Court preliminarily approves the Settlement as fair, reasonable and adequate to the
12 Class, as falling within the range of possible final approval, as being the product of informed,
13 arm's length negotiation by counsel, as meriting submission to the Class for its consideration.

14 6. The parties have identified the homes included within the class definition
15 certified by this Court on September 6, 2022, which are listed on Exhibit A to the Settlement
16 Agreement (the "Class Area"). For purposes of the proposed Settlement, and conditioned upon
17 the Agreement receiving final approval following the Final Approval hearing and that order
18 becoming final, the certified class shall be further defined as follows:

19 *(1) All present owners of residential homes constructed in the Sherborne,*
20 *Lexington, and Sedona communities by Shea Homes, Inc. ("Shea") in Ladera*
21 *Ranch whose copper pipes have not been replaced with PEX or epoxy coated by*
22 *prior owners of the homes; or (2) Prior owners of residential homes constructed*
23 *by Shea in the Sherborne, Lexington, and Sedona communities in Ladera Ranch*
24 *who have already replaced their copper pipes with PEX or had the pipes epoxy*
25 *coated, provided that, for any class member: (a) the home was substantially*
26 *completed within ten years of the filing of the original complaint in this action (or*
May 9, 2003); (b) the original purchase agreements for the first buyer was signed
by the builder on or after 1/1/2003 and (c) their claims to SB 800 relief have not
been released. SB 800 is set forth in California Civil Code, Section 895 through
945.

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1 7. Plaintiffs and Class Counsel are authorized to enter into the Settlement
2 Agreement on behalf of the Class, subject to final approval by this Court of the Settlement.
3 Plaintiffs and Class Counsel are authorized to act on behalf of the Class with respect to all acts
4 required by the Settlement Agreement or such other acts which are reasonably necessary to
5 consummate the proposed Settlement set forth in the Settlement Agreement.

6 8. The Court approves ILYM Group Inc. ("ILYM") as Settlement Administrator
7 to administer the notice and claims procedures of the Settlement for the purpose of administering
8 the proposed Settlement and performing all other duties and obligations of the Settlement
9 Administrator as defined in the Settlement, this Preliminary Approval Order, and/or as may
10 otherwise be ordered by the Court, with the understanding that ILYM's compensation will be
11 capped at \$27,050.00.

12 9. The Court approves, as to form and content, of two different Settlement
13 Notices: (a) the first for the Original Class Members who were served with the Class Notice in
14 December 2022 (attached hereto as **Exhibit "B"**); and (b) the second for all subsequent
15 purchasers of the homes listed on Exhibit A to the Settlement Agreement who were not sent
16 Class Notice in December 2022 (attached hereto as **Exhibit "C"**). The Court hereby instructs
17 the Parties to proceed with Settlement Notice in the manner and on the schedule set forth in the
18 Settlement Agreement as follows:

19 a. The Settlement Administrator shall serve by U.S. Mail:

20 i. To those individuals who were mailed Class Notice in
21 December 2022:

22 1. The Settlement Notice version attached as **Exhibit "B"**
23 hereto; and

24 2. The Prior Owner Verification Form (**Exhibit "F"**
25 hereto);

26 ii. To those individuals in the chain of title for the class homes
27 listed in Exhibit "A" to the Settlement Agreement who were
28

1 NOT mailed Class Notice in December 2022:

- 2 1. The Settlement Notice version attached as **Exhibit “C”**
3 hereto;
4 2. The Request for Exclusion Form (**Exhibit “D”** hereto);
5 and
6 3. The Prior Owner Verification Form (**Exhibit “E”**
7 hereto).

8 b. For a Prior Owner of a home in the Class List to be included as a Class
9 Member, that Prior Owner must submit by mail a Prior Owner
10 Verification Form to the Settlement Administrator within sixty (60)
11 days of mailing by the Settlement Administrator (**Exhibit “E”** hereto)
12 that verifies that the Prior Owner replaced the copper pipes in the
13 Class Home with PEX or epoxy coating of the pipes.

- 14 i. In the event a prior owner submits a Prior Owner Verification
15 Form stating that the prior owner has replaced the homes’
16 copper pipes with PEX or epoxy coating, then the Settlement
17 Administrator shall provide the present owner with written
18 notice: (a) that a prior owner has submitted a Prior Owner
19 Verification Form stating that the prior owner replaced the
20 homes’ copper pipes with PEX or epoxy coating; and (b) the
21 present owner has 30 days within which to submit a written
22 verification to the Settlement Administrator that the home had
23 copper pipes (without any epoxy coating) at the time the
24 present owner obtained title to the home. In the event that
25 there is a dispute between a prior and present owner as to
26 whether a prior owner had replaced the copper pipes with PEX
27 or epoxy coating, then the two homeowners shall submit proof
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1 supporting their claims to the Settlement Administrator who
2 will forward such documentation to Ross Feinberg, Esq. of
3 JAMS who: (a) shall serve as arbitrator of the dispute; and (b)
4 whose determination of those competing claims shall be
5 binding. The costs for Mr. Feinberg's services shall be deemed
6 a "cost" that shall be deductible from the Settlement Fund.

7 c. For a Present Owner of a home in the Class List to be included as a
8 Class Member:

9 i. With respect to those individuals who were served with Class
10 Notice in December 2022, there must not be a Prior Owner
11 Verification Form submitted by a Prior Owner for the subject
12 Class Home unless that Prior Owner Verification Form was
13 withdrawn or determined by Mr. Feinberg to be invalid for
14 purposes of this settlement.

15 ii. With respect to those individuals who were NOT served with
16 Class Notice in December 2022, that individual must not
17 submit a Request for Exclusion Form and there must not be a
18 Prior Owner Verification Form submitted by a Prior Owner for
19 the subject Class Home unless that Prior Owner Verification
20 Form was withdrawn or determined by Mr. Feinberg to be
21 invalid for purposes of this settlement.

22 d. For all Notice papers returned as undeliverable or changed address, the
23 Settlement Administrator shall re-send the Notice documents after a
24 skip-trace, and the 60-day time frame for a potential class member to
25 return any forms shall re-commence from the date of that re-mailing.

26
27 10. In order to facilitate printing and dissemination of the Settlement Notice,
28 the Settlement Administrator and Parties may change the format, but not the content, of the

1 Settlement Notice, without further Court order, so long as the legibility is not adversely
2 impacted. The Settlement Administrator and Parties may also, without further Court order,
3 insert the information specified in the blank places provided in the Settlement Notice.

4 11. Within ten (10) business days of Preliminary Approval, the Parties shall
5 provide the Settlement Administrator with the addresses of all homes that are included within the
6 definition of the Class.

7 12. The Settlement Administrator must complete the notice mailing within thirty
8 ~~(30) calendar days of preliminary approval being granted, in envelopes marked "Personal and~~
9 ~~Confidential."~~

10 13. By the time of filing of the final settlement approval motion, the Settlement
11 Administrator shall provide, and Plaintiff shall file proof, by affidavit or declaration, of the
12 mailing of the Settlement Notice in the form and manner provided in the Agreement and in this
13 Preliminary Approval Order.

14 14. The Settlement Administrator must also create a dedicated website for this
15 Settlement, which will make available the Settlement Agreement, the operative complaint, the
16 pleadings submitted in support of preliminary approval, approval of attorneys' fees, costs and
17 class representative enhancements, and final approval and all orders continuing or re-setting any
18 hearing dates. The dedicated website shall also make available all Orders by this Court with
19 respect to aforesaid motions.

20 15. The Court finds that the Parties' plan for providing notice to the Settlement
21 Class described in the Settlement Agreement complies fully with the requirements of due process
22 and all other applicable provisions of law, including *California Code of Civil Procedure* §382,
23 *California Civil Code* §1781, *California Rules of Court*, Rules 3.766 and 3.769, the California
24 and United States Constitutions, and all other applicable law., and any other applicable law and
25 constitutes the best notice practicable under the circumstances and shall constitute due and
26 sufficient notice to the Settlement Class, the terms of the Settlement Agreement, and the Final
27 Approval Hearing.
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1 16. All potential members of the Class who were sent Class Notice in December
2 2022 shall not have the right to be excluded from the Class because the time for such right to be
3 excluded has expired. With respect to any potential member of the Class who was NOT sent
4 Class Notice in December 2022 AND who desires to be excluded from the Class and therefore
5 not be bound by the terms of the Settlement Agreement, he/she must submit to the Settlement
6 Administrator, pursuant to the instructions set forth in the Notice, a timely and valid written
7 Request for Exclusion (attached as Exhibit "D" to the Settlement Agreement).

8 17. Members of the Settlement Class shall have sixty (60) days from the Notice
9 Date to submit objections and/or requests for exclusion, but no such notice is required if the
10 Member of the Class makes an oral objection at the final approval hearing. The Settlement
11 Administrator shall prepare and deliver to Class Counsel, who shall file with the Court, a final
12 report stating the total number of Class members who have submitted timely and valid Requests
13 for Exclusion from the Class, and the names of such individuals. The final report regarding the
14 Claims Period shall be filed with the Court within seven (7) business days of the expiration of
15 the deadline to submit objections and/or requests for exclusion.

16 18. The deadline to file the motion for final approval of the Settlement and Class
17 Counsel's fee application shall be twenty-four (24) calendar days prior to the Final Approval
18 Hearing date of December 7, 2023.

19 19. Responses to any objections received shall be filed with the Court no later
20 than twenty-four (24) calendar days prior to the Final Approval Hearing, and Plaintiffs'
21 responses may be included in their motion for final approval.

22 20. Any member of the Settlement Class who is eligible to (and so chooses) to be
23 excluded shall not be entitled to receive any of the benefits of the Settlement Agreement, shall
24 not be bound by the release of any claims pursuant to the Settlement Agreement, and shall not be
25 entitled to object to the Settlement Agreement or appear at the Final Approval Hearing. The
26 names of all persons timely submitting valid Requests for Exclusion shall be provided to the
27 Court.
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1 21. Any member of the Settlement Class may appear at the Final Approval
2 Hearing, in person or by counsel, and may be heard to orally object to the settlement and, to the
3 extent allowed by the Court, in support of or in opposition to, the fairness, reasonableness, and
4 adequacy of the Settlement, the application for an award of attorneys' fees, costs, and expenses
5 to Class Counsel, and any compensation to be awarded to the Class Representatives.

6 22. The Court preliminarily approves the following disbursements, subject to
7 Court approval of the final approval motion and application for attorneys' fees and costs:

- 8 a. \$10,000.00 for Plaintiffs' enhancement award (not to exceed);
- 9 b. \$709,200.00 for attorney's fees, which is 1/3 of the gross settlement
10 amount (not to exceed));
- 11 c. \$85,000.00 for reimbursement of litigation costs (not to exceed); and
- 12 d. \$27,050.00 for Settlement Administrator's fees and costs (not to
13 exceed).

14 23. Any Settlement Class Member who does not make an objection on or
15 before the date of the Final Approval Hearing shall be deemed to have waived such objection
16 and forever shall be foreclosed from making any objection to the fairness or adequacy of the
17 proposed settlement as incorporated in the Settlement Agreement, the payment of attorneys' fees
18 and costs, or the Final Approval Order and Judgment.

19 24. Pending the final determination of whether the Settlement should be
20 approved, all pre-trial proceedings in the instant case are stayed. If the Settlement is terminated
21 or final approval does not for any reason occur, the stay shall be immediately terminated.

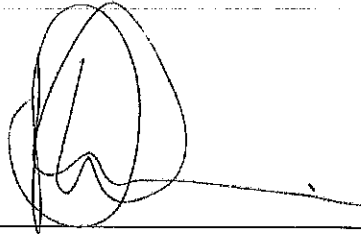
22 25. A Final Approval Hearing shall be held before this Court at **2:00 p.m. on**
23 **December 7, 2023** in Dept. CX-101 of the Orange County Superior Court, to address: (a)
24 whether the proposed Settlement should be finally approved as fair, reasonable and adequate,
25 and whether the Final Approval Order and Judgment should be entered; and (b) whether Class
26 Counsel's application for attorneys' fees, costs, expenses and incentive awards should be
27 approved. The date and time of the Fairness Hearing shall be set forth in the Settlement Notice.
28 The Court retains jurisdiction to consider all further applications arising out of or in connection

1 with the Settlement Agreement.

2 26. If the Settlement is finally approved by the Court, the Court shall retain
3 jurisdiction over the Settling Parties, the Class Members, and this Action in accordance with
4 CCP § 664.6 and CRC Rule 3.769(h), with respect to matters arising out of, or in connection
5 with, the Settlement, and may issue such orders as necessary to implement the terms of the
6 Settlement. The Court may approve the Settlement, with such modifications as may be agreed to
7 by the Settling Parties, without further notice to the Class Members.

8 **IT IS SO ORDERED.**

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11 Dated: July 05, 2023



Hon. Peter J. Wilson
JUDGE OF THE SUPERIOR COURT