

STIPULATION AND AGREEMENT

This Stipulation and Agreement is executed this 14 day of March, 2004, by and between **A & G Commercial Trucking, Inc.**, a Missouri corporation ("A & G") and the **Director of the Manufactured Housing and Modular Units Program of the Public Service Commission** (the "Director"). A & G and the Director are referred to herein collectively as the "Parties."

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. **Definitions:** As used in this Agreement, the following terms shall have the following meanings:

a. **Agreement:** As used in this Agreement, the term "Agreement" shall mean this agreement and all exhibits, attachments, and amendments hereto.

b. **A & G:** As used in this Agreement, the term "A&G" shall mean A & G Commercial Trucking, Inc., a Missouri corporation.

c. **Administrative Case:** As used in this Agreement, the term "Administrative Case" shall mean the case initiated by the Director against A & G before in Commission case number MC-2004-0078.

d. **Commission:** As used herein, the term "Commission" shall mean the Missouri Public Service Commission.

e. **Complaint:** As used in this Agreement, the term "Complaint" shall mean the complaint filed by the Director with the Commission in order to initiate and begin the Administrative Case.

f. **Damaged Home:** As used in this Agreement, the term "Damaged Home" shall mean any manufactured home now or hereafter owned by A & G which A & G desires to sell at retail to a consumer for the purpose of human habitation.

g. **DeLine:** As used in this Agreement, the term "DeLine" shall mean Greg DeLine, individually.

h. **Director:** As used in this Agreement, the term "Director" shall mean the Director of the Manufactured Housing and Modular Units Program of the Public Service Commission.

i. Disputed Homes: As used in this Agreement the term "Disputed Homes" shall mean the manufactured homes described in paragraph 10 of the Complaint.

j. HUD: As used in this Agreement, the term "HUD" shall mean the U. S. Department of Housing and Urban Development.

k. Parties: As used in this Agreement, the term "Parties" shall mean A & G and the Director.

2. Recitals of Facts: The Parties stipulate to the following facts:

a. The Director initiated the Administrative Case by filing the Complaint against A & G. A & G has denied liability and has denied any violations of any applicable law in connection with the Administrative Case.

b. A & G requested that the disputes and claims made in the Administrative Case be submitted to mediation. The Director agreed to mediation. On November 13, 2003, A & G and the Director submitted the Administrative Case to mediation. At said mediation session, the Parties resolved most of the issues involved in the Administrative Case. After the mediation, representatives of the Director and A & G continued to discuss the remaining unresolved issues and, since the date of mediation, A & G and the Director have resolved all other issues not resolved at the mediation.

c. A & G and the Director have entered into this Agreement to set forth their agreements which they have made in order to resolve the Administrative Case.

d. By entering into this Agreement and by undertaking the obligations stated herein, neither A & G nor the Director admit any liability to each other or to any other party. Rather, this Agreement has been entered into in view of the uncertainty of litigating the Administrative Case. Nothing contained herein will be an admission by any Party on any matter either to the other Party, to the Commission or to any other person or entity who is not a party to this Agreement or the Administrative Case.

e. The recitals of fact contained in this paragraph 2 are substantive provisions of this Agreement and not mere recitals.

3. Submission of Dealer Application by A & G: Not later than March 19, 2004, A & G shall complete and submit to the Director an application to register and qualify A & G as a dealer of manufactured homes in the state of Missouri pursuant to Section 700.010 RSMo. A & G shall take such additional steps as may be reasonably necessary in order to have said application acted upon with the intent of having it approved, and A & G shall pay whatever application or filing fee is required with respect to said application. The Parties recognize that approval of the application is beyond the control of A & G, and A & G's obligations with respect to said application shall be

limited to submitting it completely and accurately, completing the information requested thereon, paying any necessary filing fees in connection therewith, and using reasonably diligent efforts to have said application approved. If said application is not approved, such non-approval shall not effect any of the other terms or provisions of this Agreement.

4. **Restriction of Future Sales:** A & G or any other company or entity owned or partially owned by DeLine agrees that it shall not sell or convey any new manufactured homes (as said terms are defined in applicable HUD regulations now existing or hereafter amended) unless all applicable required HUD labels and certificates are properly affixed and attached to said manufactured home.

5. **Process to "Recertify" Damaged Homes:** A & G shall not sell any Damaged Home to any consumer except in accordance with the provisions of this paragraph of this Agreement. In the event that A & G desires to sell a Damaged Home, A & G shall give written notice thereof to the Director and the remaining provisions of this paragraph 4 shall apply. Either the Director or any entity assigned and approved by the Director (which may include an engineer) conduct a physical inspection or examination of the Damaged Homes in order to determine corrections, modifications or alterations which are needed to bring the Damaged Home into compliance with the HUD Code. A & G shall pay the reasonable costs of all such examinations and inspections within thirty (30) days. A & G shall not sell any Damaged Home at retail to any consumer unless and until A & G has undertaken the corrective actions recommended by the Director with respect to the Damaged Home in question. Such actions shall be taken within the time period requested by the Director as long as such time period is reasonable under the circumstances. After such corrections or modifications are completed, the Director shall be given the opportunity to reinspect the Damaged Home in question and shall, if such corrections and modifications have been made, approve them promptly. Once all such corrections and modifications are made, the Director shall issue a seal, label or other necessary or appropriate insignia reflecting that the particular Damaged Home has been brought back into compliance with the HUD Code pursuant to §700.021 RSMo. and other applicable provisions of law, and A & G may then sell the Damaged Home.

6. **Covenants Concerning Disputed Homes:** One of the contentions made by the Director in the Administrative Case is the Disputed Homes were sold by A & G in violation of applicable law because they were sold after the Director had instructed A & G not to sell them and/or because they were sold without the required HUD data plate or label attached thereto, all as more particularly described in the Complaint. Within ten (10) days from the date on which both Parties have executed this Agreement, the Director shall send a letter to the purchasers of the Disputed Homes in the form of the letter attached hereto as Exhibit A and incorporated herein by reference (the "Customer Letter"). The purpose of the Customer Letter is to request permission from the ultimate purchasers and owners of the Disputed Homes to allow the Director and A & G to have access to and to reinspect the Disputed Homes in an effort to have them recertified and to affix and to attach thereto any and all required data plates and labels. Director's sole obligation with respect to the Customer Letter shall be to send the Customer Letter and to show A & G proof that the

Customer Letter has been sent to the last known address of each purchasers of the Disputed Homes. Furthermore:

a. The Customer Letter will inform the recipient thereof that the Disputed Home which was purchased did not comply with applicable federal or state law and will specify the ways' in which it did not comply with applicable federal or state law. The Customer Letter further will state that the recipients thereof have the option to have A & G or a designee of A & G perform repairs to the Disputed Home in order to bring it in to compliance with applicable federal or state standards at no cost to the owner of the Disputed Home.

b. If a particular customer or party who receives a Customer Letter does not respond to it or elects not to have any further repair work performed on the Disputed Home in question, or cannot be contacted by the Director, then A & G shall have no obligation to perform any further or additional repairs on said Disputed Home. If the recipient of any Customer Letter does not respond to the Director within sixty (60) days after receipt thereof stating that the customer desires the additional repair work to be done, then A & G shall have no obligation to perform any additional repair work to the Disputed Home in question. Furthermore, nothing contained in this Agreement shall obligate A & G to make any repairs or improvements to any Disputed Home which are necessary to repair any defect or item which occurred or arose after the Disputed Home was delivered and accepted by the customer or which was caused by the acts, omissions, or failure to maintain of the customer.

c. If the owner of the Disputed Home does make a timely election to have additional repair work done on the disputed home, either the Director or any entity assigned and approved by the Director (which may include an engineer) may conduct a physical inspection or examination of the Disputed Home in order to determine the corrections, modifications, or alterations which are needed to bring the Disputed Home into compliance with the HUD code. A & G shall pay the reasonable costs of all such examinations and inspections within thirty (30) days. Furthermore, A & G agreed to undertake corrective actions which are recommended by the Director or the third-party company retained by the Director as long as such corrective actions are reasonable under the circumstances. Such actions shall be taken within the time period requested by the Director as long as such time period is reasonable under the circumstances. A & G shall have such additional repairs, modifications and corrections performed with reasonable diligence and as soon as reasonably possible not to exceed sixty (60) days, subject to extension as approved by the Director for matters beyond A & G's control. After such corrections or modifications are completed as approved by the Director within the Director's reasonable discretion, the Director shall be given the opportunity to reinspect the disputed home in question and shall, if such corrections and modifications have been made, approve them promptly and shall issue a seal, label or other necessary appropriate insignia reflecting that the particular Disputed Home has been brought back into compliance with the HUD code pursuant to §700.021 RSMo. and other applicable provisions of law.

7. **Payment by A & G:** Upon the final execution of this Agreement, A & G shall pay a penalty to the Director the amount of Two Thousand Dollars (\$2,000.00).

8. **Storage and Display of Manufactured Homes:** The Director maintains that it is within the Director's powers to restrict the sale or transfer of manufactured homes by dealers thereof for matters such as failure of any manufactured home to meet applicable minimum state or federal building standards or codes; when the Director restricts the retail sale of any manufactured home, such practice is generally referred to in the manufactured home industry as "red tagging" a manufactured home. Any manufactured homes which are owned by A & G from and after the effective date of this Agreement and which A & G intends to resell or offer for sale but which have been "red tagged" by the Director or which do not have affixed to them the proper or necessary HUD labels or data plates shall be stored, maintained and located by A & G in a location which is distinctly separate and apart from other manufactured homes owned by A & G which are capable of being sold. Furthermore, A & G shall conspicuously and clearly mark and label as "not for sale" any manufactured home which has been "red tagged" by the Director or which does not have affixed to it the necessary HUD label or data plate.

9. **No Admission of Liability; No Effect of Future Cases:** Neither Party by entering into this Agreement admits any liability on any point or matter whatsoever to the other Party, to the Commission, or to any third party which is not a party to this Agreement or to the Administrative Case. The Parties have settled the disputes between them as described in the Complaint as a result of the uncertainty of proceeding with litigation of the Complaint. This Stipulation and Agreement has resulted from extensive negotiations between the signatories and the terms hereof are interdependent. In the event the Commission does not adopt this Stipulation and Agreement in total, then this Stipulation and Agreement shall be void and no signatory shall be bound by any of the agreements or provisions hereof. The stipulations herein are specific to the resolution of this proceeding and are made without prejudice to the rights of the signatories to take other positions in other proceedings. In the event the Commission accepts the specific terms of this Stipulation and Agreement, the parties waive, with respect to the issues resolved herein, their respective rights pursuant to Section 536.080.1, RSMo., to present testimony, to cross-examine witnesses, and to present oral argument or written briefs; their respective rights to the reading of the transcript by the Commission pursuant to Section 536.080.2, RSMo; and their respective rights to seek rehearing pursuant to Section 386.500, RSMo; and to seek judicial review pursuant to Section 386.510, RSMo. The parties agree to cooperate with each other in presenting this Stipulation and Agreement for approval to the Commission and shall take no action, direct or indirect, in opposition to the request for approval of the Stipulation and Agreement.

10. **Dismissal of Complaint:** Upon the final execution of this Agreement and after all covenants and conditions stated herein are completed by both Parties, the Director shall dismiss the Complaint and all portions thereof and all allegations therein with prejudice such that the Complaint cannot be refiled at any time by the Director.

11. **Binding Effect; Construction:** This Agreement shall be binding upon the Parties hereto and their respective heirs, executors, successors, personal representatives, administrators, and assigns. It shall be interpreted in accordance with the laws of the state of Missouri.

12. **No Adverse Inference:** All Parties had equal input with respect to the language chosen in this Agreement and accordingly, no rule of law or construction shall be employed in construing this Agreement which requires the construction hereof more favorably or strongly in favor of or against any party to this Agreement.

13. **Entire Agreement:** This Agreement expresses the entire Agreement of the Parties, and supersedes or replaces any and all prior discussions between the Parties or their respective attorneys. This Agreement embodies and represents the complete Agreement between the Parties, except as set forth in the immediately preceding sentence.

14. **Amendment:** This Agreement shall not be amended except by a written document which is executed by all of the Parties.

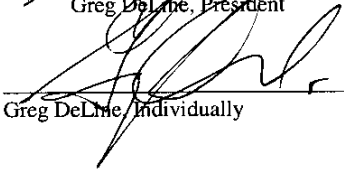
15. **Full and Complete Understanding of Settlement:** The Parties, by executing this Agreement, represent and warrant to each other that they fully and completely comprehend and understand each of the provisions of this Agreement, the legal effect thereof, and the consequences of entering into same.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date first written above.

A & G Commercial Trucking, Inc., a Missouri corporation ("A & G")

By: 

Greg DeLine, President


Greg DeLine, Individually

**Director of the Manufactured Housing and
Modular Units Program of the Public Service
Commission (the "Director")**

By: 

Bruce H. Bates, MO Bar No. 35442
Public Service Commission
Associate General Counsel
Attorney for the Director of the Manufactured
Housing and Modular Units Program of the
Missouri Public Service Commission
P.O. Box 360
Jefferson City, MO 65102
(573) 751-7434 (Telephone)
(573) 751-9285 (Fax)

Exhibit A

**(Important Information regarding your Manufactured Home)
PLEASE READ**

Dear Consumer:

This letter is being sent in response to a recent settlement agreement, No. _____ between Amega Sales Inc., A & G Commercial Inc. and Service Pro, companies owned and operated by Gregory DeLine, and the Missouri Public Service Commission (MPSC), dated March ____ 2004.

As part of the above settlement agreement, certain homeowners who purchased a manufactured home from either of the above companies are being notified by the MPSC that the homes that are part of the settlement agreement were sold to consumers without the applicable HUD Labels. The HUD Labels are required on all manufactured homes and signify that the home was built to the applicable building codes and safety standards. The MPSC is requesting your response to this letter, if you currently own the home as identified below, within 20 days from the date of this letter. If you do not own the home identified below, please contact the MPSC as soon as possible at 1-800-819-3180. After receiving your response, a representative from the MPSC will contact you to set up a date to complete an inspection of your home for any possible building or safety standard violations. This inspection is free. The information from the inspection will be shared with you, the homeowner, and any identified problems or defects will be corrected and paid for by the company that sold you the home. After any identified problems or defects are corrected, the home will re-certified by the MPSC and the applicable labels attached thereto.

Manufacturer Name	Serial No.	Year	Location
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If you have questions, please call Ron Pleus of the MPSC at 573-751-7119.

Sincerely,

Ron Pleus
Manager
Manufactured Housing & Modular Unit Program