

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

Director of the Manufactured Housing and)	
Modular Units Program of the Missouri)	
Public Service Commission,)	
)	
Complainant,)	
)	
v.)	
)	Case No. MC-2008-0071
Amega Sales, Inc.)	
d/b/a Quality Preowned Homes, Columbia)	
Discount Homes, Mark Twain Mobile)	
Home Sales, and Chateau Homes,)	
)	
Respondent.)	

STIPULATION AND AGREEMENT

This Stipulation and Agreement ("Agreement") is entered into on March 7, 2008, between the Director of the Manufactured Housing and Modular Units Program of the Public Service Commission ("Director") and Amega Sales, Inc., d/b/a Quality Preowned Homes, Columbia Discount Homes, Mark Twain Mobile Home Sales, and Chateau Homes (collectively "Amega"), and Greg DeLine ("DeLine"), an individual.

The parties to this Agreement intend this Agreement to be a formal resolution of the complaint in MC-2008-0071 currently pending before the Missouri Public Service Commission ("Commission").

The Director, Amega and DeLine agree that if the complaint in MC-2008-0071 proceeded to hearing on March 12, 2008, that the Director could produce sufficient evidence for reasonable persons to conclude that Amega has engaged in conduct which constitutes a violation of section 407.020. Therefore, under section 700.100.3, the parties agree that Amega shall be placed on probation by the Commission for a period of two (2) years from the date of approval of this agreement by the Commission. If Amega and DeLine comply with the terms and conditions of this Agreement for the two (2) year period to the satisfaction of the Director, then this Agreement shall be terminated, except for those terms, conditions and obligations which are expressly continued by the express language of this Agreement. Amega currently has five (5) registrations with the Commission, listed above, all of which are subject to the terms of probation. During the term of probation, Amega and DeLine shall comply with the following conditions of probation:

1. DeLine will relinquish 100% of his role in the day-to-day management, conduct, and operations of Amega by December 31, 2008, by resigning any position as officer, director, manager or employee of any of Amega's operations. DeLine agrees to provide documentary proof of fulfilling this condition by December 31, 2008.

2. Amega and DeLine represent that Amega currently has a single shareholder known as Amega Holdings, Inc, and that the sole shareholder in Amega Holdings, Inc. is DeLine or DeLine's revocable trust. DeLine agrees to divest, sell or transfer at least 60% of his ownership in Amega Holdings, Inc., and thereby at least a 60% interest in Amega by December 31, 2008. Alternatively, Amega Holdings, Inc. may sell at least 60% of Amega prior to December 31, 2008, and such sale shall be deemed to be a compliance with this Agreement.

In no event shall DeLine, or any entity controlled by him, or any combination of DeLine and his spouse, DeLine and his relatives or DeLine and any entity controlled by DeLine possess or control more than 40% of Amega's stock after December 31, 2008. DeLine hereby represents and warrants that at no time during the application of this Agreement shall DeLine, or any entity controlled by DeLine, or any combination of DeLine and his spouse, DeLine and his relatives, or DeLine and any entity controlled by DeLine own more than 40% of any entity which is engaged in the sale of manufactured homes or registered as a manufactured home dealer within the State of Missouri. DeLine agrees to provide documentary proof of fulfilling this condition by December 31, 2008.

3. Amega and DeLine shall establish an escrow fund in the total amount of \$70,000 to complete repairs to homes identified after the date of approval of this Agreement as damaged. The escrow fund shall be for the purpose of making repairs to homes sold by Amega that were damaged in transit or that have an imminent safety hazard or serious defect, as defined by the HUD Code. It shall be the duty of the Director, under supervision of the Commission, to determine when a payment may be made from the escrow deposit. The \$70,000 will be paid into the escrow account at a rate of \$10,000 per month on the first of the month beginning April 1, 2008, and for 6 consecutive months thereafter until paid in full. The escrow account shall remain in place for five (5) years from the date of the Commission's approval of this Agreement, or until the \$70,000 and any interest accrued thereon is exhausted, whichever occurs first. If this Agreement is terminated, all the rights, responsibilities, duties and obligations imposed by this paragraph 3 shall survive termination and remain valid and binding on the parties. At the expiration of five (5) years, the balance of any funds, including interest, shall revert to Amega without further demand by Amega and without further consent or action

by the Director. The Director shall report any use of the funds to the Commission and Amega as it occurs. Any escrow fund established under this Agreement shall be held by an independent third party approved by the Director and Amega. Such escrow fund shall be held at a federally insured depository within the State of Missouri. Alternatively, Amega and DeLine shall be permitted to provide, to the satisfaction of the Director, a letter of credit from a third party approved by the Director in the amount of \$70,000 to satisfy this condition.

No draw on the escrow fund or letter of credit shall take place until Amega has been given a reasonable opportunity to repair any damages identified by the Director to the Director's reasonable satisfaction. Amega shall be given thirty (30) days from the receipt of notice from the Director of the existence of such damages to repair the damages. After the expiration of the thirty (30) day period, the Director shall provide Amega with notice that if the damages are not fixed within ten (10) days that a draw request on the escrow account or letter of credit will be made at the end of that ten (10) day period.

4. Amega and DeLine shall pay a penalty totaling \$50,000 to the public school fund. This penalty will be paid at a rate of \$5,000 per month on the beginning of every month beginning April 1, 2008, and for 9 consecutive months thereafter until paid in full. Amega and DeLine agree to provide proof of the required payments to the Director as they are made.

5. Amega and DeLine will repair, to comply with the Code, eight red-tagged manufactured homes currently on Amega's lots by August 1, 2008. Amega and DeLine agree that the homes will not be moved or sold until the repairs are made and approved by the Director. The Director and his staff agree to assist Amega in the repair of the following homes by facilitating contacts with manufacturers and third-parties:

Year	Manufacturer	Serial Number
2006	Clayton	CHO002271KYAB
2006	Clayton	CW2010612TXAB
2007	Clayton	CS2008473TNAB
2007	Southern	DSD4AL47760AB
2008	Southern	DESAL1748AB
2006	Southern	DSD4AL45886AB

2006	Southern	DSDAL45874AB
2005	Champion	12525M (modular)

6. Amega and DeLine shall provide to the Director, by March 31, 2008, information regarding the disposition of the home in the A&G Commercial Trucking case, MC-2004-0078, referred to as the Hackman home, 2003 Waverlee, Serial No. 17L07963XU. The Hackman home was originally sold to Hackman by Amega, thereafter, Amega purchased the home back from Hackman and sold the home to another purchaser. Amega and DeLine shall provide the name, address and any information in its possession or control regarding the second purchase. Amega and DeLine shall use reasonable efforts to locate the Hackman home. If after using reasonable efforts, as described in detail to the Director, as well as any other efforts indicated to be undertaken by the Director, the Hackman home cannot be located, this provision shall be deemed to have been met.

If the Hackman home is located, Amega agrees to repair the home and ensure this home complies with the HUD Code and federal standards. Repairs are to be completed within 30 days of the date of a notice sent by the Director to the current owner or resident of the home and Amega is received. Such thirty (30) day period shall be extended as required due to delays caused by the homeowner. Such delay shall not cause Amega to be in violation of this Agreement. The Director agrees to reasonably cooperate with Amega on the time frame of repairs so long as Amega does not unreasonably delay the work and keeps the Director informed as to the situation involving the Hackman home.

Additionally, if the Hackman home shall have previously been repaired to the satisfaction of the Director, then the current owner or the owner who made repairs to the home shall be reimbursed by Amega for the expenses of any repairs. Amega shall make no settlement with the owner until the Director and his staff have the opportunity to inspect the home and discuss the inspection with the owner.

7. Amega agrees to pay an inspection or re-inspection fee of \$200 for each inspection of any manufactured home after the initial inspection by the Director.

8. The Director asserts that since 2004, he is aware of 22 homes that have been identified as damaged in transit while A&G Commercial Trucking was responsible for transportation and that 15 of those homes have come to Amega's lots in Missouri. Amega and DeLine agree to provide the Director with a list of all manufactured homes known to Amega or DeLine and located in any state as of the date of this agreement,

which, in the last three (3) years, have been damaged in transit such that the dealer had the right to reject the delivery of the manufactured home. Amega and DeLine will use their best efforts to obtain this same information going back five (5) years. Such list shall be provided by April 30, 2008. Amega and DeLine will obtain and provide the Director with all documents including manufacturer invoices, bills of lading, accident reports, and other documents showing damages or repairs, whether the repairs are made by Amega or another entity, to the identified homes by April 30, 2008.

9. Greg DeLine agrees, individually and in his role as an officer or manager for any other company engaged in the sale, distribution or transportation of manufactured homes or modular units, that whenever he is aware of transit damage to any manufactured home or modular unit such that a dealer rejects delivery of the home or the home is damaged in a way to remove it from compliance with the HUD Code, that DeLine will advise the Director within seven days of the date of damage of the make, model, serial number, location, and future or anticipated final destination of the home. DeLine agrees to advise the Director whenever any manufactured home or modular unit, which is in the possession or control of DeLine or a company with which DeLine is associated that is engaged in the sale, distribution or transportation of manufactured homes, is damaged or repaired and brought into the State of Missouri.

10. Amega and DeLine shall abide by and not violate the law relating to manufactured housing. Any violation of law relating to manufactured homes that occurs after the date the Commission approves this Agreement is grounds for revocation of this probation and thereby grounds for revocation of Amega's five registrations.

11. Amega and DeLine agree that they shall disclose to the Director and any potential customer the fact that any home offered for sale has been damaged in a way to remove it from compliance with the HUD Code or if the manufactured home has been materially repaired by any person or entity.


12. DeLine shall not have any office located in any of Amega's sales locations after December 31, 2008.

13. Any act or failure of DeLine shall be deemed to be an act or failure of Amega for purposes of this stipulation and agreement.

14. Upon the Director's reasonable belief that a violation of any of the above conditions has occurred, the Director may file a motion with the Commission seeking revocation of Amega's probation; revocation of Amega's registrations; or such other relief as the Director deems

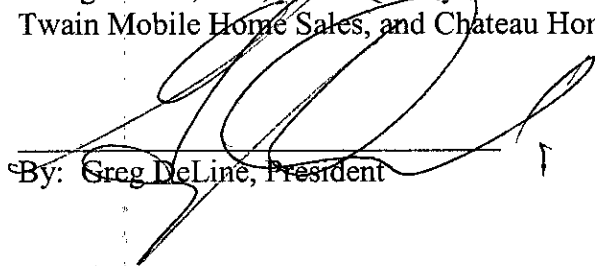
appropriate. The Commission may thereupon set the matter for hearing to determine whether a violation of the terms of probation has taken place and, if so, the parties agree that the Commission may revoke or suspend Amega's five registrations; continue Amega's probation, modified or not as the Commission may determine; or enter such other order as the Commission deems just and proper.

Wherefore, the parties pray that the Commission accept and approve this stipulation and agreement and enter an order placing Amega on probation as set forth above.




Greg DeLine, Individually

Amega Sales, Inc., d/b/a Quality Preowned Homes, Columbia Discount Homes, Mark Twain Mobile Home Sales, and Chateau Homes



By: Greg DeLine, President



Ron Pleus, Director, Manufactured Housing and Modular Units Program for the Missouri Public Service Commission