

Chief Legal Officer Chris Browder's Remarks as Prepared for Delivery
RE: Litigation Update
April 9, 2019
OUC Board Meeting

- Plaintiffs filed an amended complaint on March 27 in federal court.
 1. There are two new Plaintiffs.
 2. One of those two new Plaintiffs is a proposed representative for two new putative subclasses covering two newly identified communities, Storey Park and Moss Park. Both new communities are located south of the Stanton facility.
 3. There are three new Defendants: Boral Resources LLC, Preferred Materials, Inc. and Lennar Homes LLC. Plaintiffs added several new allegations regarding why they believe those defendants are liable under 376.313.
 4. Plaintiffs have not asserted any new causes of action against OUC, however, they have made various changes to general and specific allegations in the complaint and supplemented their 376.313 allegations to allege (a) an express waiver of sovereign immunity; and (b) that the discharges at issue are not authorized by Florida's Chapter 403.
 5. Plaintiffs have adopted our jurisdictional position and concede that this action should proceed in federal district court.
 6. Nothing in the Amended Complaint changes OUC's position on the claims or the proposed timing of this suit.
- Developer Defendants' Motions to Dismiss

Since the last update, the Developer Defendants (Lennar Corp., US Home Corp. Avalon Park Group Management Inc. and Beat Kahli) each filed motions to dismiss Plaintiffs' original complaint based on a theory that the pollution statute cited by the Plaintiffs do not apply since there were no allegations of pollution by the Developers, just a failure to warn/inform buyers. These motions were denied without prejudice based on the filing of the new complaint, which includes new allegations regarding other conduct by the developers that Plaintiffs allege created liability under 376.313.