

SETTLEMENT AGREEMENT

This Settlement Agreement ("Agreement") is entered into by and between the United States Department of Housing and Urban Development ("HUD") and Ritz-Craft Corporation of Pennsylvania, Inc. (the "COMPANY") (hereafter HUD and the COMPANY are collectively referred to as "the Parties"), through their authorized representatives.

RECITALS

A. The COMPANY is a Pennsylvania corporation headquartered in Mifflinburg, PA.

B. The COMPANY is a manufacturer of manufactured homes and is subject to the National Manufactured Housing Construction and Safety Standards Act of 1974 (as amended) (42 U.S.C. 5401-5426) (the "Act") and its implementing regulations at 24 CFR parts 3280 and 3282.

C. HUD received a complaint alleging that the COMPANY engaged in certain conduct that violated the regulations. Such conduct related to the company shipping two transportable sections (serial numbers #RCPAAC030815P10075 A and B) of a manufactured home from its Mifflinburg Plant that were not properly labeled and had been red-tagged. The sections of the manufactured home were subsequently delivered and installed at 9 Wren Drive, Bechtelsville, PA, 19505 on or about October 25, 2014. ("Conduct")

D. Shipping sections that are not properly labeled in accordance with 24 CFR 3282.362(c)(2)(i)(B) or have been red-tagged as defined by 24 CR 3282.7(cc) and pursuant to 24 CFR 3282.362(c)(2)(i)(G) is a violation of the Act.

E. This Agreement is limited to and relates only to the Conduct described above and does not encompass any other actions of the COMPANY.

F. This Agreement is neither an admission of fault of the above described Conduct nor a concession by HUD that its claims are not well-founded.

G. Both parties, wishing to resolve this matter expeditiously, do hereby agree and covenant as follows:

TERMS AND CONDITIONS

1. The above recitals are hereby incorporated by reference as if stated fully.
2. The COMPANY and/or its affiliated entities shall pay or cause to be paid TWO THOUSAND TWO HUNDRED DOLLARS (\$2,200.00) payable to The United States Treasury no later than June 19, 2015, to the following address:

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United States Department of Housing and Urban Development
P.O. Box 277303
Atlanta, GA 30384-7303

and a copy of the check by the same date to:

United States Department of Housing and Urban Development
Office of Manufactured Housing Programs
Attn: Pamela Beck Danner, Administrator
451 7th Street, SW, Room 9168
Washington, DC 20410-8000

3. HUD shall deem this matter fully and finally resolved upon the remittance of the above amount.
4. This Agreement is intended to be and shall be for the benefit only of the Parties and entities and individuals identified in this Agreement, and no other party or entity shall have any rights or benefits hereunder. Nothing in this agreement limits the rights or any other Federal Agency or the Office of Inspector General from investigating or pursuing actions within the scope of their authority.
5. Each party shall bear its own legal and other costs incurred in connection with this matter including the preparation and performance of this Agreement.
6. Each party and signatory to this Agreement represents that it freely and voluntarily enters into the Agreement without any degree of duress or compulsion.
7. This Agreement is governed by the laws of the United States. The exclusive jurisdiction and venue for any dispute arising out of matters covered by this Agreement is the United States District Court for the District of Columbia. For purposes of construing this Agreement, this Agreement shall be deemed to have been drafted by all the Parties and shall not, therefore, be construed against any party for that reason in any subsequent dispute.
8. The Agreement constitutes the complete agreement between the Parties as to the matters addressed herein. The Agreement may not be amended except by written consent of the Parties.
9. The undersigned represent and warrant that they are fully authorized to execute the Agreement on behalf of the Parties indicated below.
10. The Agreement may be executed in counterparts, each of which constitutes an original and all of which constitute one and the same Agreement.
11. This Agreement is binding on, and inures to the benefit of, the COMPANY's and its affiliated entities' successors, heirs, and assigns.

12. Facsimiles or email scans of signatures shall constitute acceptable, binding signatures for purposes of this Agreement.

13. Whenever the words "include," "includes," or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation."

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered in their names as of the date first above written.

**UNITED STATES DEPARTMENT OF HOUSING AND
URBAN DEVELOPMENT**

By: 
Pamela Beck Danner, Administrator, HUD Office of Manufactured Housing Programs

RITZ-CRAFT CORPORATION

By: 