

FIRST AMENDED SETTLEMENT AGREEMENT

This Settlement Agreement ("Agreement") is made and entered into as of February 5th, 2020 between: (a) plaintiffs George Loya, Judith Loya, Richard Ramos ("Ramos"), Michael Richardson ("Richardson") and Shirley Petetan ("Petetan") (collectively, "Plaintiffs" or "Representative Plaintiffs"), and (b) defendant Renovate America, Inc. ("Defendant"). Plaintiffs and Defendant are the "Parties." All capitalized terms shall be as defined herein.

RECITALS

WHEREAS, on November 1, 2016, George Loya filed a putative class action lawsuit against Renovate and the Western Riverside Council of Governments ("WRCOG") in the Riverside County Superior Court, captioned as *Loya v. Western Riverside Council of Governments and Renovate America, Inc.*, Case No. RIC1614434 (the "Loya Action");

WHEREAS, on November 1, 2016, Ramos filed a putative class action lawsuit against Renovate and the San Bernardino Associated Governments ("SANBAG") in the San Bernardino County Superior Court, captioned as *Ramos v. San Bernardino Associated Governments and Renovate America, Inc.*, Case No. CIVDS1618459 (the "Ramos Action");

WHEREAS, on November 1, 2016, Richardson filed a putative class action lawsuit against Renovate and the County of Los Angeles ("LAC") in the Los Angeles County Superior Court, captioned as *Richardson v. County of Los Angeles and Renovate America, Inc.*, Case No. BC639230 (the "Richardson Action");

WHEREAS, the above original Complaints all concerned tax assessment contracts each plaintiff had entered into under a Property Assessed Clean Energy ("PACE") Program in their respective counties, and each plaintiff alleged that certain features of the respective PACE Programs were unlawful, fraudulent, and unfair;

WHEREAS, in the above original Complaints in the Loya Action and the Ramos Action, plaintiffs asserted, on behalf of themselves and putative classes, six causes of action: (1) a cause of action for alleged violations of the Truth in Lending Act ("TILA"), 15 U.S.C. § 1601 *et seq.*; (2) a cause of action for alleged Violations of the Home Ownership and Equity Protection Act ("HOEPA"), 15 U.S.C. § 1639; (3) a cause of action for Conspiracy to Violate TILA and HOEPA; (4) a cause of action for Violations of TILA Mortgage Originator Rules; (5) a cause of action for violations of California's Covered Loan Law, California Financial Code § 4970 ("Covered Loan law"), *et seq.*; and (6) a cause of action for Violations of California Business and Professions Code section 17200, *et seq.* ("Section 17200");

WHEREAS, in the original Complaint in the Richardson Action, plaintiff asserted, on behalf of himself and a putative class, five causes of action: (1) a cause of action for alleged violations of the Truth in Lending Act ("TILA"), 15 U.S.C. § 1601 *et seq.*; (2) a cause of action for alleged Violations of the Home Ownership and Equity Protection Act ("HOEPA"), 15 U.S.C. § 1639; (3) a cause of action for Conspiracy to Violate TILA and HOEPA; (4) a cause of action

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for Violations of TILA Mortgage Originator Rules; and (5) a cause of action for Violations of California Business and Professions Code section 17200, *et seq.* ("Section 17200")

WHEREAS, on December 1, 2016, Renovate removed the Loya Action to the United States District Court, Central District of California (the "District Court"), Case No. 16-cv-02478-AB-KK;

WHEREAS, on December 1, 2016, Renovate removed the Ramos Action to the United States District Court, Central District of California, Case No. 16-cv-02491-AB-KK;

WHEREAS, on December 1, 2016, Renovate removed the Richardson Action to the United States District Court, Central District of California, Case No. 2:16-cv-08943-AB-KK;

WHEREAS, on February 16, 2017, George Loya filed a First Amended Complaint in the Loya Action, adding Plaintiffs Judith Loya and Beth Simpson;

WHEREAS, on February 22, 2017, Ramos filed a First Amended Complaint in the Ramos Action;

WHEREAS, on February 24, 2017, Richardson filed a First Amended Complaint in the Richardson Action, adding Plaintiff Shirley Petetan;

WHEREAS, on March 1, 2017, the District Court granted Plaintiffs' Motion to Consolidate Actions for Pretrial Purposes and for Appointment of Interim Class Counsel, designating the Loya Action, Case No. 16-cv-02478-AB-KK, as the lead action (the "Consolidated Action");

WHEREAS, on July 7, 2017, the District Court granted in part and denied in part motions to dismiss filed by Renovate, WRCOG, SANBAG, and LAC in the Consolidated Action, dismissing the federal TILA, HOEPA, and conspiracy causes of action;

WHEREAS, the TILA, HOEPA, and conspiracy claims were the only claims pled against WRCOG, SANBAG, and LAC, so the District Court dismissed the cases against those governmental entities;

WHEREAS, in its July 7, 2017 decision, the District Court declined to retain jurisdiction over the remaining state law claims against Renovate and remanded the cases back to state court;

WHEREAS, after the three cases were remanded back to state court, the parties jointly requested that the cases be coordinated for pretrial purposes by filing a Joint Petition for Coordination and Application for Order Staying All Proceedings Pending Consideration Thereof with the Judicial Council of California;

WHEREAS, on December 5, 2017, the Judicial Council of California granted the Parties' Joint Petition for Coordination and Application for Order Staying All Proceedings Pending Consideration Thereof. The coordinated matter was assigned to the Riverside County Superior Court as *In re Renovate America Finance Cases* under case number RICJCCP4940;

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WHEREAS, on March 15, 2018, Plaintiffs in the Loya Action and the Ramos Action filed Amended Class Action Complaints, asserting, on behalf of themselves and putative classes, three causes of action: (1) a cause of action for Violations of Unfair and Fraudulent prongs of Section 17200; (2) a cause of action for Violations of the Unlawful prong of Section 17200 based on alleged violations of the Covered Loan Law; and (3) a cause of action for Tortious Interference with Contract.

WHEREAS, on March 15, 2018, Plaintiffs in the Richardson Action filed an Amended Class Action Complaint asserting, on behalf of themselves and a putative class and subclass three causes of action: (1) a cause of action for Violations of Unfair and Fraudulent prongs of Section 17200; (2) a cause of action for Violations of Unfair and Fraudulent prongs of Section 17200 on behalf of a subclass; and (3) a cause of action for Tortious Interference with Contract;

WHEREAS, on May 1, 2018, Plaintiffs in the Loya Action, Ramos Action, and Richardson Action re-filed identical versions of the previously filed amended pleadings and named them Second Amended Class Action Complaints;

WHEREAS, on May 21, 2018, Renovate filed Demurrers to the Second Amended Class Action Complaints in the Loya Action, the Ramos Action and the Richardson Action;

WHEREAS, on June 13, 2018, the Riverside Superior Court sustained Renovate's Demurrers as to the Tortious Interference with Contract causes of actions but overruled the Demurrers as to the Section 17200 causes of action;

WHEREAS, this Agreement resolves the Plaintiffs' remaining Section 17200 claims, as detailed in their Second Amended Class Action Complaints, which were brought on behalf of putative classes of similarly situated individuals;

WHEREAS, Plaintiffs and Defendant have conducted an investigation into the facts and law, including Defendant's ability to pay a judgment in excess of the amount of the Settlement Fund (as defined in Paragraph 2.01 below);

WHEREAS, Defendant has denied and continues to deny the material allegations in the Action, has denied and continues to deny any wrongdoing and any liability to Plaintiffs or any putative Class Member, in any amount, in connection with the claims asserted in the Action, has denied that class certification is required or appropriate, and contends that it would prevail in the Action;

WHEREAS, Plaintiffs, individually and on behalf of the Settlement Class (as defined in Paragraph 1.27 below), desire to settle the Action and all matters within the scope of the Release set forth herein, having taken into account the risks, delays, and difficulties involved in establishing liability, the likelihood of recovery in excess of that offered by this Agreement, the desirability of payment now, the likelihood that the Action could be protracted and expensive, and Defendant's ability to pay a judgment in the event Plaintiffs prevailed in the Action at trial;

WHEREAS, Defendant believes that it is desirable and in its best interest to settle the Action and all matters within the scope of the Release in the manner and upon the terms and

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conditions provided for in this Agreement in order to avoid the further expense, inconvenience, and distraction of litigation, and in order to put to rest the claims that have been asserted in the Action and/or are within the scope of the Release; and

WHEREAS, the Parties have agreed on all of the terms and conditions of this Agreement through an arm's-length negotiation between their respective counsel, as facilitated by a neutral mediator.

NOW THEREFORE, in consideration of the foregoing and the covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which is acknowledged herein, the Parties agree as follows:

I. DEFINITIONS

1.01 "Action" means the action captioned as *In re Renovate America Finance Cases*, Case No. RICJCCP4940, now pending before the Superior Court for the County of Riverside, and all included cases within that coordinated matter, including *Loya v. Western Riverside Council of Governments and Renovate America, Inc.*, Riverside County Superior Court Case No. RIC1614434, *Ramos v. San Bernardino Associated Governments and Renovate America, Inc.*, San Bernardino County Superior Court Case No. CIVDS1618459; and *Richardson v. County of Los Angeles and Renovate America, Inc.*, Los Angeles County Superior Court Case No. BC639230;

1.02 "Agreement" or "Settlement Agreement" means this Settlement Agreement.

1.03 "Attorney Fee/Litigation Cost Award" means the award(s), if any, made to Class Counsel by the Court, upon application pursuant to paragraphs 3.15 and 3.16 below.

1.04 "Benefit Check" means the negotiable check to be sent to those Class Members who shall receive the Class Benefit Amount pursuant to paragraphs 2.02, 4.02, and 4.03 below.

1.05 "Class" means the "Settlement Class."

1.06 "Class Counsel" means Mark C. Rifkin, Randall S. Newman, Betsy C. Manifold and Rachele R. Byrd, Wolf Haldenstein Adler Freeman & Herz LLP; Janine L. Pollack, The Sultz Law Group, P.C.; Lee Shalov, McLaughlin & Stern LLP; and C. Mario Jaramillo, Access Lawyers Group.

1.07 "Class Member(s)" means a member of the Settlement Class as defined below.

1.08 "Class Notice" means the notice of this Settlement that is contemplated by this Agreement, including an accompany objection form and an exclusion form that Class Members may use.

1.09 "Class Period" refers to the period on and after January 1, 2012.

1.10 "Class Representative Award" means the sums awarded, if any, to Representative Plaintiffs by the Court, upon application pursuant to paragraph 3.17 below.

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1.11 “Counsel for the Defendant” means Matthew S. Sheldon, Steven A. Ellis, and Todd A. Boock, of Goodwin Procter LLP.

1.12 “Court” means the Riverside County Superior Court, and/or such judge of the court to whom the Action, or a proceeding in the Action, may hereafter be assigned.

1.13 “Defendant” means Renovate America, Inc.

1.14 “Final Approval” means the last date on which all of the following have occurred:

(a) The Court has issued all necessary orders under California Rules of Court, rule 3.769, approving of the Settlement in a manner substantially consistent with the terms and intent of this Agreement;

(b) The Court enters the Final Approval Order;

(c) Either: (i) Sixty-five (65) days have passed after the Final Approval Order has been entered and served on all parties and within such time, no appeal is taken; or (ii) in the event the Final Approval Order is appealed, ten (10) days after all appellate remedies are exhausted and the Final Approval Order is upheld, or not altered in a manner that is substantially inconsistent with the Final Approval Order, provided that any change or modification that may increase the Defendant’s liability or reduce the scope of the Release or of the Settlement Class shall be considered as preventing the occurrence of Final Approval; and

(d) No Party with a right to do so has terminated the Agreement.

1.15 “Final Approval Date” means the date upon which Final Approval occurs.

1.16 “Final Approval Order” means the order and judgment of the Court approving the Settlement in a manner substantially consistent with the terms and intent of this Agreement, and entering judgment resolving the Action.

1.17 “Party” means Representative Plaintiffs or Defendant individually, and “Parties” means each of the Representative Plaintiffs and Defendant, collectively.

1.18 “Preliminary Approval Date” means the date on which the Court enters the Preliminary Approval Order (as defined in Paragraph 1.19 below).

1.19 “Preliminary Approval Order” means the order or orders of the Court preliminarily approving the terms and conditions of this Agreement as contemplated by this Agreement, as set forth in California Rules of Court, rule 3.769.

1.20 “Release” means the release set forth in Paragraphs 5.01 and 5.02 of this Agreement.

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1.21 “Released Persons” shall mean the entities and persons defined in Paragraph 5.01.

1.22 “Renovate” means

(a) Renovate America, Inc.

(b) any agent or entity acting in its name or under its authority (alleged or actual); and

(c) all present and former parents, predecessors, successors, assigns, subsidiaries, affiliates, divisions, owners, shareholders, officers, directors, attorneys, vendors, accountants, agents, representatives, and employees of each of the persons or entities in subparagraphs (a), and (b) of this paragraph.

1.23 “Representative Plaintiffs” or “Plaintiffs” mean plaintiffs George Loya, Judith Loya, Richard Ramos, Michael Richardson, and Shirley Petetan.

1.24 “Settlement” means the resolution of the matters within the scope of the Release and this Agreement.

1.25 “Settlement Administration Costs” means the costs for administering the Settlement provided for herein to be paid exclusively from the Settlement Fund, including but not limited to, the costs of distributing the Class Notice to the Class Members and providing the Benefit Checks and Supplemental Benefit Checks to Class Members.

1.26 “Settlement Administrator” means such *bona fide* person or entity in the business of class action settlement administration as may be selected by mutual agreement of the Parties and approved by the Court.

1.27 “Settlement Class” means: (i) all persons or entities who received residential PACE tax assessment financing from WRCOG through the HERO program where the underlying assessment contract was executed by the person or entity between January 1, 2012 and July 7, 2016; (ii) all persons or entities who received residential PACE tax assessment financing from LAC through the HERO program where the underlying assessment contract was executed by the person or entity between January 1, 2012 and June 15, 2017; and (iii) all persons or entities who received residential PACE tax assessment financing from SANBAG through the HERO program where the underlying assessment contract was executed by the person or entity between January 1, 2012 and June 15, 2017.

1.28 “Successful Opt-Out” means a person or entity who timely and validly exercises a right to be excluded from the Settlement Class, pursuant to paragraph 3.05 and California Rules of Court, rule 3.769.

1.29 As used herein, the plural of any defined term includes the singular thereof and *vice versa*, except where the context requires otherwise. All references to days shall be interpreted to mean calendar days, unless otherwise noted. When a deadline or date falls on a

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weekend or a legal Court holiday, the deadline or date shall be extended to the next business day that is not a weekend or legal Court holiday.

1.30 Other terms are defined in the text of this Agreement, and shall have the meaning given those terms in the text. It shall be the intent of the Parties in connection with all documents related to the Settlement that defined terms as used in other documents shall have the meaning given to them in this Agreement.

II. SETTLEMENT FUND

2.01 Renovate will pay the sum of two million, five hundred fifty thousand dollars (\$2,550,000.00) ("Settlement Fund") to the Settlement Administrator, minus any Settlement Administration Costs already advanced to the Settlement Administrator, within thirty (30) days after the Preliminary Approval Date, which, together with any interest that shall accrue thereafter, shall be used to pay all moneys to be paid in connection with the Settlement. The Settlement Fund will be the maximum monetary exposure to Renovate under the Settlement.

2.02 The Attorney Fee/Litigation Cost Award, if any, and the Class Representative Award, if any, shall be paid from the Settlement Fund. Any remainder in the Settlement Fund after the payment of the Attorney Fee/Litigation Cost Award, if any, and the Class Representative Award, if any, and after reserving for payment of the actual and estimated remaining Settlement Administration Costs, plus any interest that has accrued in the Settlement Fund between the time of deposit of the Settlement Fund and the time of distribution of Benefit Checks, shall be the "Class Benefit Amount."

2.03 Renovate shall have no obligation to create the Settlement Fund, or pay any portion thereof, until the above-specified date, and no person, entity or Class Member shall have any claim to, entitlement to, or rights in the Settlement Fund or any portion thereof other than as set forth in this Agreement. In the event Final Approval does not occur, all money in the Settlement Fund shall be returned to Renovate, except for any money already expended for Settlement Administration Costs, which shall be non-refundable.

III. SETTLEMENT PROCEDURES

A. Preliminary Approval.

3.01 As soon as practical after the execution of this Settlement Agreement, Class Counsel, on behalf of the Settlement Class, shall move the Court for entry of the Preliminary Approval Order substantially in the form of Exhibit A hereto: (a) preliminarily approving the Settlement memorialized in this Settlement Agreement as fair, reasonable, and adequate, including the material terms of this Agreement; (b) provisionally approving the Settlement Class for settlement purposes only; (c) setting a date for a final approval hearing ("Final Approval Hearing"); (d) approving the proposed Class Notice substantially in the form attached hereto as Exhibit B, and authorizing its dissemination to the Settlement Class; (e) setting deadlines consistent with this Agreement; (f) conditionally designating Representative Plaintiffs as the representatives of the Settlement Class and Class Counsel as counsel for the Settlement Class; (g) prohibiting all generalized notices or communications, whether by written correspondence, advertisements, Internet postings, or other media, to Class Members by the Parties about the

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Settlement or its terms other than as specifically authorized by this Agreement; and (h) approving the Settlement Administrator. Defendant agrees not to oppose the entry of the Preliminary Approval Order, provided it is substantially in the form of Exhibit A hereto. Without implication of limitation, Defendant's agreement not to oppose the entry of the Preliminary Approval Order shall not be an admission or concession by Defendant that a class was appropriate in the Action or would be appropriate in any other matter, and/or that relief was appropriate in the Action or would be appropriate in any other matter.

B. Administration.

3.02 Defendant shall prepare the list of Class Members ("Class Member List") and provide it to the Settlement Administrator within fifteen (15) days after the entry of the Preliminary Approval Order. In preparing the Class Member List, Defendant shall use reasonable good faith efforts to identify Class Members by their last known email and mailing addresses, but shall have no obligation to look beyond information obtainable from readily searchable computer media maintained by Defendant. After receiving the Class Member List, the Settlement Administrator shall obtain updates, if any, to the mailing addresses contained therein using the National Change of Address ("NCOA") database maintained by the United States Postal Service ("Postal Service").

3.03 Within forty-five (45) days after the entry of the Preliminary Approval Order, the Settlement Administrator shall email to each Class Member for whom Renovate's records reflect an email address, a Class Notice substantially in the form attached hereto as Exhibit B. For those Class Members with no such email address, the Settlement Administrator shall mail a paper copy of the Class Notice. Before sending, the Settlement Administrator shall fill in all applicable dates in the Class Notice to conform to the dates specified by the Court in the Preliminary Approval Order. The Settlement Administrator also shall have discretion to format the Class Notice in a reasonable manner to minimize mailing or administrative costs. Neither Defendant nor the Settlement Administrator shall have any obligation to mail the Class Notice to any Class Member for whom no mailing address was identified through the process set forth in Paragraph 3.02 above. The Settlement Administrator shall also maintain a website providing information and documents concerning the Settlement and the website address shall be listed in the Class Notice, on the Benefit Checks, and on any Supplemental Benefit Checks. The Settlement Administrator shall maintain the website for at least one year after the Final Approval Date.

3.04 If any Class Notice sent under paragraph 3.03 is returned by the Postal Service as undeliverable, the Settlement Administrator shall re-mail the Class Notice to the forwarding address, if any, provided by the Postal Service on the face of the returned mail. In the case of a Class Notice returned without a forwarding address, the Settlement Administrator shall conduct a skip-trace search for any further update to the address for purposes of re-mailing, but otherwise no further action will be necessary by the Settlement Administrator. If any Class Notice sent under paragraph 3.03 via email is returned as undeliverable, the Settlement Administrator shall re-mail the Class Notice to the mailing address for that Class Member, following the same procedure set forth in Paragraphs 3.03 and this Paragraph. Other than as set forth above, the Settlement Administrator shall have no other obligation to re-mail Class Notices unless requested by a Class Member. Other than as set forth in this Section III of the Agreement, there shall be no other provision for Class Notice.

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3.05 Each Class Member is entitled to request exclusion from the Settlement Class and not to be bound by the Settlement, if, within such time as is ordered by the Court and contained in the Class Notice ("Opt-Out Period"), the Class Member completes and mails a request for exclusion ("Opt-Out") to the Settlement Administrator at the address set forth in the Class Notice. The Parties will recommend that the Opt-Out Period conclude sixty (60) days after the Class Notice deadline in paragraph 3.03. For a Class Member's Opt-Out to be valid and treated as a Successful Opt-Out, it must (a) state his or her full name, address, and telephone number; (b) contain the Class Member's personal and original signature or the original signature of a person previously authorized by law, such as a trustee, guardian, or person acting under a power of attorney, to act on behalf of the Class Member (*i.e.*, conformed, reproduced, facsimile, or other non-original signatures are not valid); and (c) unequivocally state in some way the Class Member's intent to be excluded from the Settlement Class, to not participate in the Settlement, and/or to waive all rights to the benefits of the Settlement. An exclusion form will be provided to Class Members along with the Class Notice that they may use to exclude themselves if they so choose. In those cases where a Class Member includes two or more persons who were co-owners of a property and multiple co-owners entered into the relevant PACE tax assessment contract, any or all of the co-owners can opt out and that PACE tax assessment contract will not be part of the Settlement Class. Other than in the circumstances described in the preceding sentence, no person shall purport to exercise any exclusion rights of any other person, or purport to opt-out Class Members as a group, aggregate, or class; any such purported Opt-Outs shall be void, and the Class Member(s) that is or are the subject of such purported Opt-Out shall be treated as a Class Member. At the expiration of the Opt-Out Period, the Settlement Administrator shall create a list of Successful Opt-Outs and provide to the Parties the list and copies of all communications from the Opt-Outs. Defendant or Class Counsel may dispute an Opt-Out or purported Opt-Out, and the Court shall decide any disputes.

3.06 Any Class Member who does not submit a timely Opt-Out, or otherwise comply with all requirements for opting-out as may be contained in this Agreement, in the Class Notice, or as otherwise ordered by the Court, or who is not a Successful Opt-Out shall be bound by this Agreement, this Settlement and the Release, as embodied in paragraphs 5.01 and 5.02 of this Agreement. If a Class Member is a Successful Opt-Out, that Class Member shall be excluded from the Settlement, and shall not receive a Benefit Check, and will not be bound by the terms of the Settlement or this Agreement.

3.07 No Class Member may assign or delegate to any individual or entity the right to receive a Benefit Check on behalf of the Class Member. Nothing herein shall preclude a person previously authorized by law, such as a trustee, guardian or person acting under a power of attorney, to act on behalf of the Class Member from receiving the Benefit Check.

3.08 Any Class Member who wishes to object to the proposed Settlement must serve a written objection to the Settlement ("Objection") upon the Settlement Administrator, at the address set forth in the Class Notice. The Settlement Administrator shall file any such Objections with the Court as provided for in the Preliminary Approval Order. The Parties will recommend that the deadline to object will be sixty (60) days after the Class Notice deadline in paragraph 3.03. Each Objection must set forth the Class Member's name and a statement of the legal and factual basis for the Objection and provide copies of any documents that the Class Member wishes to submit in support of his/her position. An objection form will be provided to

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Class Members along with the Class Notice that they may use to state their objection if they so choose. Any Class Member who does not submit a timely Objection in complete accordance with this Agreement, the Class Notice, or as otherwise ordered by the Court shall not be treated as having filed a valid Objection to the Settlement.

3.09 Any Class Member who wishes to appear at the Final Approval Hearing, whether *pro se* or through counsel, will be requested, but not required, to file a notice of appearance in the Action at least fourteen (14) days before the Final Approval Hearing, and to serve the notice and other pleadings upon Class Counsel and Counsel for the Defendant.

3.10 Unless the Court directs otherwise, the dates set forth in the Class Notice shall govern the rights of the Class Members.

3.11 The settlement administration shall be conducted by either Renovate or the Settlement Administrator, except as otherwise provided in this Agreement.

3.12 For a period of one hundred fifty (150) days after the Final Approval Date, the Settlement Administrator shall maintain a mailing address and telephone number to receive inquiries with respect to the Settlement.

C. Final Approval.

3.13 At the time appointed by the Court, Representative Plaintiffs and Class Counsel shall move the Court for entry of the Final Approval Order, which order shall be substantially in the form of Exhibit C hereto, and shall: (a) finally approve the Settlement as fair, reasonable, and adequate; (b) give the terms of the Settlement final and complete effect; (c) finally certify the Settlement Class; (d) find that all requirements of statute, rule, and state and federal Constitutions necessary to effectuate this Settlement have been met and satisfied; and (e) enter final judgment on the merits in the Action. Defendant agrees not to oppose the entry of the Final Approval Order, provided it is substantially in compliance with the form of Exhibit C hereto. Without implication of limitation, Defendant's agreement not to oppose the entry of the Final Approval Order shall not be an admission or concession by Defendant that a class was appropriate in the Action in the absence of the Settlement or would be appropriate in any other matter, and/or that any relief was appropriate in the Action in the absence of the Settlement or would be appropriate in any other matter.

3.14 [Intentionally left blank].

3.15 No later than forty-five (45) days after the Class Notice deadline in paragraph 3.03, Representative Plaintiffs and Class Counsel may make a written application to the Court for an attorneys' fee award not to exceed thirty-three percent (33%) of the Settlement Fund, plus expenses. The total amount awarded by the Court shall constitute the Attorney Fee/Litigation Cost Award. Defendant agrees not to oppose, or cause to be opposed, such application provided it is in accord with the limitations set forth in this paragraph and paragraph 3.16 below. To the extent approved, such an Award shall be paid exclusively from, and not in addition to, the Settlement Fund. Also no later than forty-five (45) days after the Class Notice deadline in paragraph 3.03, Representative Plaintiffs and Class Counsel shall file their motion seeking final approval of the settlement. No later than sixteen (16) court days prior to the Final Approval

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Hearing, Representative Plaintiffs and Class Counsel may submit any supplemental papers to the Court in further support of their application for final approval of the settlement, attorneys' fee award or expenses, and/or application for a Class Representative Award as provided for in paragraph 3.17 below.

3.16 Defendant shall have no liability to (a) Class Counsel, (b) any attorney or law firm associated with Class Counsel or party to any agreement (written or oral) with Class Counsel with respect to the prosecution of this Action, and/or (c) any other person or entity for attorneys' fees or actual litigation costs relating to the Action and/or the Settlement other than as provided for in this Agreement. Defendant's maximum potential liability under the Settlement for attorneys' fees and actual litigation costs incurred in the Action, to be paid to either Class Counsel or anyone else, shall be limited to the fees and cost amount provided for in paragraph 3.15, above.

3.17 Prior to the Final Approval Hearing, Representative Plaintiffs and Class Counsel may make a written application to the Court for a Class Representative Award to be paid to Representative Plaintiffs exclusively from, and not in addition to, the Settlement Fund for their service as plaintiffs in the Action in an aggregate amount not to exceed five thousand dollars (\$5,000.00) to each of the Representative Plaintiffs. Any married Representative Plaintiffs will receive a single five thousand dollar (\$5,000.00) payment rather than separate payments. Defendant agrees not to oppose, or cause to be opposed, such application provided it is in accordance with the limitations in this paragraph. To the extent approved, such an award shall be paid exclusively from, and not in addition to, the Settlement Fund.

3.18 Notwithstanding any provision herein to the contrary, Class Counsel shall be paid the amount awarded to them in the Attorney Fee/Litigation Cost Award within ten (10) calendar days after entry of the order awarding such Attorney Fee/Litigation Cost Award. In the event that the Court denies, in whole or in part, (a) any application made by Class Counsel pursuant to paragraph 3.15 above; and/or (b) any application made by Representative Plaintiffs and Class Counsel pursuant to paragraph 3.17 above, the remainder of the terms of this Agreement shall remain in effect. If the amount awarded to Class Counsel in the Attorney Fee/Litigation Cost Award shall be reduced in whole or in part on appeal, Class Counsel shall promptly return the amount of the reduction to the Settlement Fund.

3.19 At the Final Approval Hearing, Representative Plaintiffs and Class Counsel shall make a good faith effort to support the entry of a Final Approval Order.

3.20 If and when the Court gives Final Approval to the Settlement, as part of such approval, the Action shall be resolved in a final judgment reflected in the Final Approval Order, with all parties to bear his, her, or its own costs and attorneys' fees not otherwise awarded.

IV. CLASS SETTLEMENT BENEFITS

4.01 The Benefit Checks available to Class Members, as well as Renovate's payment from the Settlement Fund of (a) the Attorney Fee/Litigation Cost Award, if any, (b) the Class Representative Award, if any, (c) the Settlement Administration Costs, and (d) other benefits in

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this Agreement, including the Disclosure Changes described in paragraph 4.12, shall be the sole benefits in exchange for the Release and consideration for this Settlement.

4.02 If a Class Member does not submit a Successful Opt-Out, said Class Member shall receive a Benefit Check in the amount set forth in paragraph 4.03, subject to the other terms and conditions of this Agreement.

4.03 The amount of the Benefit Check shall be calculated as follows: First, the Settlement Administrator will calculate the total initial principal amount of PACE tax assessments entered into by Class Members who are not Successful Opt-Outs. Second, the principal amount of each Class Member's PACE tax assessment(s) will be divided by the total principal amount of PACE tax assessments entered into by all Class Members who are not Successful Opt-Outs to determine a proportion or ratio of the total Class Benefit Amount attributable to each Class Member who is not a Successful Opt-Out. For each Class Member who is not a Successful Opt-Out, the ratio will be applied to the Class Benefit Amount to determine each Class Member's proportionate share of the Class Benefit Amount. For purposes of this calculation, in those cases where a Class Member includes two or more persons who were co-owners of a property and multiple co-owners entered into the relevant PACE tax assessment contract, they shall be treated collectively as a single Class Member.

4.04 Subject to the terms and conditions of the Agreement, within forty five (45) days after the Final Approval Date, the Settlement Administrator shall mail the Benefit Checks. The Benefit Checks will be mailed to the addresses provided for the Class Members on the Class Member List or, if applicable, to any updated address provided by the Postal Service or received as a result of the Class Notice process. All Benefit Checks issued pursuant to this paragraph shall be void if not negotiated within ninety (90) calendar days of their date of issue, and shall contain a legend to that effect. The payment to be made by the Benefit Check shall remain the property of the Settlement Fund until such time as the Benefit Check is negotiated. For Class Members receiving more than one Benefit Check, the Settlement Administrator may elect, at his or her discretion, to mail a single combined check rather than multiple checks. In those cases where a Class Member includes two or more persons who were co-owners of a property and multiple co-owners entered into the relevant PACE tax assessment contract, they shall be mailed a single check, made out jointly to all such persons.

4.05 If a Class Member is a Successful Opt-Out, then that Class Member shall be excluded from the Settlement, shall not receive any benefits of the Settlement (including a Benefit Check), and shall not be bound by the terms of this Agreement.

4.06 Subject to the terms and conditions of this Agreement, within ten (10) calendar days of entry of the Attorney Fee/Litigation Cost Award, the Settlement Administrator shall pay the amount of any Attorney Fee/Litigation Cost Award ordered by the Court to Wolf Haldenstein Adler Freeman & Herz LLP on behalf of all Class Counsel. Neither the Settlement Administrator nor Renovate shall have any liability arising from any claim regarding the division of any Attorney Fee/Litigation Cost Award between and among Class Counsel, so long as the Settlement Administrator complies with its obligations under this paragraph.

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4.07 Subject to the terms and conditions of this Agreement, within ten (10) days after the Final Approval Date, the Settlement Administrator shall pay the amount of any Class Representative Award ordered by the Court to Representative Plaintiffs. The checks for the Representative Awards shall be made payable to each Representative Plaintiff and shall be sent to Wolf Haldenstein Adler Freeman & Herz LLP. Neither the Settlement Administrator nor Renovate shall have any liability to Representative Plaintiffs or Class Counsel arising from any claim regarding the delivery or payment of the Class Representative Award by Class Counsel to Representative Plaintiffs or division of the Class Representative Award(s) between and among Representative Plaintiffs, so long as the Settlement Administrator complies with its obligations under this paragraph.

4.08 The Settlement Administrator's obligations with respect to the distribution of Benefit Checks, Supplemental Benefit Checks, if any, the Attorney Fee/Litigation Cost Award, if any, and the Class Representative Award, if any, shall be performed reasonably and in good faith. Class Counsel and Plaintiffs shall provide all necessary tax information and otherwise cooperate in advance with all requirements necessary to enable the Settlement Administrator or Renovate to make any payments without incurring additional liability. So long as Class Counsel, Renovate, and the Settlement Administrator perform their duties under this Agreement reasonably and in good faith, Class Counsel, Renovate, and the Settlement Administrator shall not be liable for erroneous, improper, or inaccurate distribution, and the Release (as embodied in paragraphs 5.01 and 5.02 of this Agreement) and any judgment shall be effective as of the Final Approval Date as to Representative Plaintiffs, Class Counsel, and every Class Member notwithstanding any such error and regardless of whether such error is corrected.

4.09 All monies that might in the future be paid to any Class Member are not vested, or otherwise monies in which the Class Member has an enforceable legal, tangible or intangible interest, and instead shall remain the sole and exclusive property of Renovate unless and until all conditions precedent to payment under this Agreement are met and the monies are paid. In order to give effect to the Parties' intention, no person, entity, or governmental body shall have any rights to the Settlement Fund, the Benefit Checks or any portion of the Benefit Checks, whether claimed or unclaimed, or in any amounts of uncashed Benefit Checks. The Parties further acknowledge and agree that to the extent a separate account or fund may be established as part of settlement administration, including but not limited to setting up an account for the payment of Benefit Checks, such accounts or funds are for administrative or legal convenience or requirements only and do not create any vested or ownership interest on the part of the Settlement Class or any Class Member or any other person, entity, or governmental body. Such accounts or funds set up by the Settlement Administrator shall be treated as property of Renovate held in escrow.

4.10 The maximum aggregate amount Renovate shall be obligated to pay under this Agreement is limited to the amount of the Settlement Fund. The Parties further agree that, in the event a court determines or otherwise issues an order or opinion that there should be any money paid from the Settlement Fund, or from any other source, by Renovate in this Action other than to (a) eligible Class Members (who are not Successful Opt-Outs); (b) Class Counsel, as an Attorney Fee/Litigation Cost Award ordered by the Court; (c) Representative Plaintiffs, as a Class Representative Award ordered by the Court; and (d) the Settlement Administrator for

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Settlement Administration Costs, this Settlement and Agreement shall be void at the option of Renovate.

4.11 Subject to the terms and conditions of this Agreement, the Settlement Administrator shall, within one hundred twenty (120) days after the initial mailing of all Benefit Checks issued pursuant to paragraph 4.02 of this Agreement, provide a report to Class Counsel and counsel for Renovate regarding the amount of money remaining in the Settlement Fund due to uncashed checks. If the amount exceeds two hundred thousand (\$200,000.00) dollars then the Settlement Administrator shall calculate the Supplemental Benefit Amount ("Supplemental Benefit Amount") and proceed to mail a new round of checks ("Supplemental Benefit Checks") to all Class Members who cashed an original Benefit Check. The Settlement Administrator shall calculate the Supplemental Benefit Amount by determining the amount remaining in the Settlement Fund and subtracting the Settlement Administration Costs necessary to mail the Supplemental Benefit Checks and complete all remaining Settlement Administration. The amount of each Supplemental Benefit Check will be calculated as follows: First, the Settlement Administrator will calculate the total amount of original Benefit Checks cashed. Second, the amount of each Class Member's original cashed Benefit Check will be divided by the total amount of original Benefit Checks cashed to determine a proportion or ratio of the Supplemental Benefit Amount attributable to each Class Member who cashed an original Benefit Check. For each Class Member who cashed an original Benefit Check, the ratio will be applied to the Supplemental Benefit Amount to determine each Class Member's proportionate share of the Supplemental Benefit Amount. Any Supplemental Benefit Checks shall be mailed within one hundred fifty (150) days after the initial mailing of all original Benefit Checks issued pursuant to paragraph 4.02 of this Agreement and shall remain valid for ninety (90) days, and shall contain a legend to that effect. Within sixty (60) days of either the expiration date of the original Benefit Checks, if the amount remaining in the Settlement Fund is less two hundred thousand (\$200,000.00) dollars, or the expiration of the Supplemental Benefit Checks, Class Counsel shall present an amended judgment to the Court reflecting a proposed cy pres recipient(s) for any remaining uncashed funds. Class Counsel shall select the proposed cy pres recipient(s) in accordance with the Court's local rules and in consideration of the remaining uncashed amount. Class Counsel must obtain Renovate's consent to any proposed cy pres recipient(s) and any proposed amended judgment prior to presenting any such proposal to the Court.

4.12 Within thirty (30) days of the Final Approval Date, Renovate shall recommend to WRCOG and LAC that certain changes be made to written disclosures used in connection with those entities' respective HERO programs. The changes to be recommended shall be substantially in the form attached hereto as Exhibit D (the "Disclosure Changes"). The Parties agree that Renovate does not have the authority under the HERO programs to mandate either the implementation or continued use of the Disclosure Changes by either WRCOG or LAC. Renovate's obligations under this paragraph shall be satisfied at the time Renovate recommends the Disclosure Changes to WRCOG and LAC.

V. RELEASE

5.01 Upon Final Approval, and in consideration of the promises and covenants set forth in this Agreement, the Representative Plaintiffs and each Class Member who is not a Successful Opt-Out, and all those who claim through them or who assert claims (or could assert

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claims) on their behalf (including the government in the capacity as *parens patriae* or on behalf of creditors or estates of the releasees), and each of them (collectively and individually, the “Releasing Persons”), will be deemed to have completely released and forever discharged Renovate America, Inc., and each of its past, present, and future officers, directors, employees, and agents (collectively and individually, the “Released Persons”), from any claims asserted in the Second Amended Class Action Complaints and any other claims that could have been brought based on the facts alleged in the Second Amended Class Action Complaints. This Release does not release or discharge any causes of action brought against any of the Released Parties in the unrelated matter *Barbara Morgan, et al. v. Renew Financial Group, LLC, et al.*, San Diego County Superior Court Case No. 37-2019-00052045-CU-OR-CTL, which alleges certain causes of action relating to California Civil Code sections 1804.1(j) and 1804.2 of the California Retail Installments Sales Act. This Release does not release or discharge any causes of action brought against any of the Released Parties in the unrelated matter *Reginald Nemore, et al. v. Renovate America, et al.*, Los Angeles County Superior Court Case No. BC701810. This Release shall be included as part of any judgment, so that all released claims and rights shall be barred by principles of *res judicata*, collateral estoppel, and claim and issue preclusion.

5.02 In addition to the provisions of paragraph 5.01 above, the Representative Plaintiffs only hereby expressly agree that, upon Final Approval, each will waive and release any and all provisions, rights, and benefits conferred either: (a) by Section 1542 of the California Civil Code, or (b) by any law of any state or territory of the United States, or principle of common law, which is similar, comparable, or equivalent to section 1542 of the California Civil Code, with respect to the claims released pursuant to paragraph 5.01 above. Section 1542 of the California Civil Code reads:

Section 1542. A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

The Representative Plaintiffs’ waiver of all rights and benefits afforded by Section 1542 is done with the understanding and acknowledgement of the significance of such a specific waiver of Section 1542. Notwithstanding the provisions of Section 1542, and for the purpose of implementing a full and complete release and discharge of each and all the Released Persons, the Representative Plaintiffs expressly acknowledge that this Agreement is intended to include in its effect (without limitation) all claims that the Representative Plaintiffs know or suspect to exist in their favor, as well as all claims that the Representative Plaintiffs do not know or suspect to exist in their favor at the time the Parties execute this Agreement, which contemplates the extinguishment of any such claims. This waiver also applies to any other relevant re-codification or similar laws implemented hereafter substantially covering the subject matter of Section 1542.

Whether a beneficiary of California law or otherwise, Representative Plaintiffs acknowledge that he or she may hereafter discover facts other than or different from those that he or she knows or believes to be true with respect to the subject matter of the claims released pursuant to the terms of paragraph 5.01 above, but each of those individuals expressly agree that, upon entry of the final judgment contemplated by this Settlement Agreement, he and she shall have waived and fully, finally, and forever settled and released any known or unknown,

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suspected or unsuspected, asserted or unasserted, contingent or non-contingent claim with respect to the claims released pursuant to paragraph 5.01 above, whether or not concealed or hidden, without regard to subsequent discovery or existence of such different or additional facts.

5.03 Upon Final Approval, and in consideration of the promises and covenants set forth in this Agreement, the undersigned Class Counsel, for themselves, and each of his, her or their present and former owners, predecessors, successors, partners, shareholders, agents (alleged or actual), experts, representatives, employees and affiliates ("Attorney Releasers"), unconditionally and irrevocably remise, waive, satisfy, release, acquit, and forever discharge the Released Persons from any and all right, lien, title or interest in any attorneys' fee or award or any claim for reimbursement of costs in connection with the Action or the Released Rights, except as otherwise provided herein.

5.04. Upon Final Approval, and in consideration of the promises and covenants set forth in this Agreement, the Released Persons shall be deemed to have fully, finally, and forever released, relinquished, and discharged the Representative Plaintiffs and Class Counsel from all claims which arise out of, concern, or relate to the institution, prosecution, settlement or dismissal of the Action, including but not limited to that the Action was not brought in good faith (the "Defendant Released Claims"), and shall be permanently enjoined from prosecuting the Defendant Released Claims against the Representative Plaintiffs and Class Counsel. The Released Persons hereby represent and warrant that they are not aware of any claims that they have or may have against the Representative Plaintiffs and Class Counsel that are not released by virtue of this paragraph. Nothing contained herein shall, however, bar the Released Persons from bringing any action or claim to enforce the terms of this Agreement.

VI. REPRESENTATIONS AND WARRANTIES

6.01 In addition to the provisions hereof, this Agreement and the Settlement shall be subject to the ordinary and customary judicial approval procedures under California Rules of Court, rules 3.769 and 3.770. Until and unless this Agreement is dissolved or becomes null and void by its own terms, or unless otherwise ordered by the Court, or if Final Approval is not achieved, Representative Plaintiffs and Class Counsel represent and warrant to Defendant that they shall take all appropriate steps in the Action necessary to preserve the jurisdiction of the Court, use their best efforts to cause the Court to grant Preliminary and Final Approval of this Agreement as promptly as possible, and take or join in such other steps as may be necessary to implement this Agreement and to effectuate the Settlement. This includes: (a) the obligation to oppose objections and to defend the Agreement and the Settlement before the Court and on appeal, if any; (b) to seek approval of this Agreement and of the Settlement by the Court; and (c) to move for the entry of the orders set forth in paragraphs 3.01 and 3.13.

6.02 Until and unless this Agreement is dissolved or becomes null and void by its own terms, or unless otherwise ordered by the Court, or if Final Approval is not achieved, Defendant represents and warrants to Representative Plaintiffs and Class Counsel that it will take appropriate steps in the Action necessary to preserve the jurisdiction of the Court, and take or join in such other steps as may be reasonably necessary to implement this Agreement and to effectuate the Settlement.

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6.03 Representative Plaintiffs and Class Counsel represent and warrant that any Attorney Fee/Litigation Cost Award they may seek upon application to the Court pursuant to Paragraph 3.15 above shall include all attorneys' fees and litigation costs that Representative Plaintiffs, Class Counsel, and any of the current and former owners, predecessors, successors, partners, shareholders, agents (alleged or actual), representatives, employees, and affiliates of Class Counsel, seek or may have any right or claim to in connection with the Action and the Released Rights.

6.04 Representative Plaintiffs and Class Counsel represent and warrant that other than "Class Counsel," as that term is defined above, there are no persons that they know of (natural or legal) having any interest in any award of attorneys' fees, expenses or litigation costs in connection with the Action. Representative Plaintiffs and Class Counsel represent and warrant that any Attorney Fee/Litigation Cost Award they may seek upon application to the Court pursuant to paragraph 3.15 above shall include all attorneys' fees and litigation costs that Representative Plaintiffs, and any of the current and former owners, predecessors, successors, partners, shareholders, agents (alleged or actual), representatives, employees, and affiliates of Class Counsel, seek or may have any right or claim to in connection with the Action.

6.05 Representative Plaintiffs, Class Counsel, and Defendant represent and warrant that he, she, or it are fully authorized to enter into this Agreement and to carry out the obligations provided for herein. Each person executing this Agreement on behalf of a Party, entity, or other person(s) covenants, warrants, and represents that he, she, or it has been fully authorized to do so by that Party, entity, or other person(s). Representative Plaintiffs, Class Counsel, and Defendant represent and warrant that he, she, or it intends to be bound fully by the terms of this Agreement.

6.06 Representative Plaintiffs, Class Counsel, and Defendant represent and warrant that they have not, nor will they, unless expressly authorized to do so by the terms of this Agreement, (a) attempt to void this Agreement in any way; (b) Opt-Out of the Settlement under this Agreement; (c) solicit or encourage in any fashion Class Members to Opt-Out; or (d) solicit or encourage in any fashion any effort by any person (natural or legal) to object to the Settlement under this Agreement. Nothing herein shall prohibit Class Counsel from responding to any Class Member inquiry with advice that Class Counsel deems appropriate given the Class Member's individual circumstances. Nor shall anything herein prohibit Defendant from responding to any Class Member inquiry by directing the Class Member to Class Counsel and/or publicly-available information concerning the Settlement.

6.07 Until and unless this Agreement is dissolved or becomes null and void by its own terms, or unless otherwise ordered by the Court, or if Final Approval is not achieved, Defendant represents and acknowledges to Representative Plaintiffs that it will not oppose the Settlement, Preliminary Approval, and/or Final Approval, provided that the Preliminary Approval Order and Final Approval Order sought by Plaintiffs and Class Counsel are substantially in the forms of Exhibits A and C hereto, respectively.

VII. MISCELLANEOUS PROVISIONS

7.01 This Agreement reflects, among other things, the compromise and settlement of disputed claims and defenses among the Parties hereto, and nothing in this Agreement nor any

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action taken to effectuate this Agreement is intended to be an admission or concession of liability of any Party or third party or of the validity of any claim. Defendant denies the allegations in the Action, and contends that its conduct has been lawful and proper.

7.02 This Agreement is entered into only for purposes of settlement. In the event that Final Approval of this Agreement and this Settlement does not occur for any reason, this Agreement shall become null and void. In that event, the Parties shall be absolved from all obligations under this Agreement, and this Agreement, any draft thereof, and any discussion, negotiation, documentation, or other part or aspect of the Parties' settlement discussions leading to the execution of this Agreement shall have no effect and shall not be admissible evidence for any purpose. In addition, in that event, the status of the Action shall revert to the state it was in prior to the Agreement, the pleadings shall revert to that date, and the agreements contained herein shall be null and void, shall not be cited or relied upon as an admission as to the Court's jurisdiction or the propriety of class certification in the absence of the Settlement, and the Parties shall have all rights, claims and defenses that they had or were asserting prior to entering into this Agreement or any predecessor agreement.

7.03 Nothing shall prevent Representative Plaintiffs or Defendant from appealing any denial by the Court of Final Approval of this Settlement, and the Parties agree that, in the event of such an appeal, the case should be stayed pending the resolution of any such appeal. The Parties agree they will continue to support and advocate for approval of the Settlement on appeal or in post-appeal proceedings, if there is such an appeal, to the same extent as they are bound herein to do so while the case is before the Court. In the event such an appeal results, by order of the appellate court or by an order after remand or a combination thereof, in the entry of an order(s) whereby the Settlement is approved in a manner substantially consistent with the substantive terms and intent of this Agreement, and entering final judgment in the Action, and otherwise meeting the substantive criteria of this Agreement for approval of the Settlement, such order shall be treated as a Final Approval Order.

7.04 The Parties agree that all negotiations, statements, proceedings, and other items related to this Agreement are for settlement purposes only, and shall not be offered or be admissible in evidence by or against either Party or cited or referenced by Class Counsel or Defendant in any other action or proceeding against Defendant or Plaintiffs.

7.05 This Agreement shall be terminable at the option of Defendant: (a) in the event the Court fails to enter the orders contemplated by paragraphs 3.01 and 3.13, or does so in a form materially different from the forms contemplated by this Agreement; or (b) if the Agreement becomes null and void in accordance with paragraph 7.02, or the Court fails to approve this Agreement as written and agreed to by the Parties, including but not limited to a failure to approve the Preliminary Approval Order or the Final Approval Order, or (c) in the event the number of Successful Opt-Outs meet or exceed two percent (2%) of the Settlement Class. In the event a termination option arises, Defendant shall exercise the option by the later of twenty (20) days after the events giving rise to the termination right or Final Approval. The Agreement also shall be terminable upon the mutual agreement of the Representative Plaintiffs and Defendant.

7.06 If this Agreement is terminated pursuant to its terms, or if the Final Approval Date does not occur, or if this Agreement is not approved in full, then any and all orders vacated

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or modified as a result of this Agreement shall be reinstated, and any judgment or order entered by the Court in accordance with the terms of this Agreement shall be treated as vacated nunc pro tunc.

7.07 Representative Plaintiffs and Class Counsel shall refrain from making any disparaging statements about Renovate America of any kind whatsoever in the course of making any written or oral statements regarding the Action or the Settlement. General statements concerning the fact of the Settlement and its terms and otherwise public information about the Action shall not violate this paragraph. Renovate America, Inc. shall also refrain from making any disparaging statements about Representative Plaintiffs or Class Counsel of any kind whatsoever in the course of making any written or oral statements regarding the Action or the Settlement.

7.08 The Parties agree that nothing in this Agreement shall be construed to prohibit communications between Defendant and the Released Persons, on the one hand, and Class Members, on the other hand, in the regular course of Defendant's and the Released Persons' businesses.

7.09 Representative Plaintiffs and Class Counsel shall not produce or provide to any governmental body or agency, administrative body or agency, regulator, board or commission, attorney general of a State, the United States Department of Justice, or any other government or law enforcement agency or body any discovery materials or other documents obtained from Defendant in the Action and/or material relating to the Action unless required to do so by law and after reasonable notice to Defendant in advance of any production such that either or both of them may seek a court order or other relief precluding or preventing production.

7.10 This Agreement is intended to and shall be governed as a contract executed under the laws of the State of California, drafted jointly by the Parties.

7.11 The terms and conditions set forth in this Agreement constitute the complete and exclusive agreement between the Parties hereto, and may not be contradicted by evidence of any prior or contemporaneous agreement, and no extrinsic evidence may be introduced in any judicial proceeding to interpret this Agreement. Any modification of the Agreement must be confirmed and executed in writing by all Parties and served upon Counsel for the Defendant and Class Counsel. The waiver by one Party of any provision or breach of this Agreement shall not be deemed a waiver of any other provision or breach of this Agreement.

7.12 This Agreement shall be deemed to have been drafted jointly by the Parties, and any rule that a document shall be interpreted against the drafter shall not apply to this Agreement.

7.13 This Agreement shall inure to the benefit of the Released Persons and heirs, successors and assigns of each Released Person, and each and every one of the Released Persons shall be deemed to be intended third-party beneficiaries of this Agreement and, once approved by the Court, of the Settlement.

7.14 This Agreement, and the Settlement provided for herein, shall not be admissible in any lawsuit, administrative action, or any judicial or administrative proceeding if offered to

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show, demonstrate, evidence, or support a contention that (a) Defendant and/or any of the Released Persons acted illegally, improperly, or in breach of law, contract, ethics, or proper conduct; and/or (b) class certification is required or appropriate.

7.15 This Agreement shall become effective upon its execution by Class Counsel and Counsel for the Defendant. The signature of Counsel for the Defendant as an agent of Defendant shall be for this purpose only, and shall not create any separate duties or obligations on Counsel for the Defendant. The Parties shall thereafter execute this Agreement promptly and may execute this Agreement in counterparts. Each counterpart shall be deemed to be an original, and execution of counterparts shall have the same force and effect as if all Parties had signed the same instrument. Plaintiffs and Defendant authorize their respective counsel to execute this Agreement for this purpose.

7.16 No representations or advice regarding the tax consequences of this Agreement have been made by any Party. The Parties further understand and agree that each Party, each Class Member, and each of Class Counsel shall be responsible for his, her, its, or their own taxes, if any, resulting from this Agreement and any payments made pursuant to this Agreement.

7.17 The Parties agree that any Class Member who is in active bankruptcy proceedings or previously was a party to bankruptcy proceedings during the Class Period may only participate in the Settlement subject to applicable bankruptcy law and procedures. Defendant is under no obligation to notify any bankruptcy court that has, had, or may have jurisdiction over such Class Member's bankruptcy proceedings or any trustee or examiner appointed in such Class Member's bankruptcy proceedings of this Agreement or the benefits conferred by the Agreement and the Settlement.

7.18 Each Class Member agrees that if he, she, or they are in active bankruptcy proceedings or previously was a party to a bankruptcy proceeding during the Class Period and the Released Claims are or may be part of the Class Member's bankruptcy estate and not the property of the Class Member, the Class Member will (a) advise the bankruptcy trustee of this Agreement and the benefits conferred by the Agreement and Settlement, in time for the trustee to exercise any rights or object to the Settlement, (b) comply with any direction from his, her or their bankruptcy trustee with respect to this Settlement and the benefits conferred by the Agreement and the Settlement, and (c) in the event of any disagreement with the direction of the bankruptcy trustee, seek relief from the appropriate bankruptcy court (without the involvement of any other party to this Agreement).

7.19 Under no circumstances shall the Settlement or Agreement or the Release be deemed to alter, amend, or change the terms and conditions of any contract, agreement, and/or tax assessment to which any Class Member is or was a party, or to provide a defense to any such contract, agreement, and/or tax assessment, including but not limited to a defense based on the so-called "one action" rule, nor shall the Settlement or the Agreement or the Release be deemed to have any effect in any bankruptcy case or in any other action involving a Class Member hereto. Nor shall the Settlement Agreement create or be construed as evidence of any violation of law or contract. In the event this Agreement is so construed as to a particular Class Member, it can be declared by Defendant to be null and void as to that Class Member only (and in such latter event, the Release as to that Class Member shall also be void). Representative Plaintiffs

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expressly covenant and agree, as a material inducement to Defendant, and recognizing the practical difficulties faced by Defendant in ongoing or future matters, that each of them waive and forever relinquish any rights or entitlement they may possess or come to possess (other than as set forth herein) to have Defendant or the Released Persons amend, alter or revise proofs of claims, rights, demands, suits, or other claims made (or to be made) in order to reflect the benefit of the Benefit Checks provided or to be provided or to reflect the other terms of this Agreement and the Settlement.

7.20 Although the Court shall enter a judgment, the Court shall retain jurisdiction over the interpretation, effectuation, enforcement, administration, and implementation of this Agreement.

7.21 Defendant and Representative Plaintiffs acknowledge that they have been represented and advised by independent legal counsel throughout the negotiations that have culminated in the execution of this Agreement, and that they have voluntarily executed the Agreement with the consent of and on the advice of counsel. The Parties have negotiated and reviewed fully the terms of this Agreement.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

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IN WITNESS WHEREOF, the Parties hereto, acting by and through their respective counsel of record, have entered into this Agreement on the date first above written, and have executed this Agreement on the date indicated below each respective signature.

GEORGE LOYA

Dated: _____

JUDITH LOYA

Dated: _____

RICHARD RAMOS

Dated: _____

MICHAEL RICHARDSON

Dated: _____

SHIRLEY PETETAN

Dated: _____

RENOVATE AMERICA, INC.

Dated: _____

By: _____

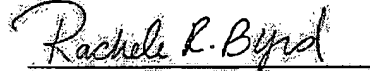
Title: _____

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DATE: February 4, 2020

CLASS COUNSEL:

**WOLF HALDENSTEIN ADLER
FREEMAN & HERZ LLP**



Mark C. Rifkin
Randall S. Newman
Betsy C. Manifold
Rachele R. Byrd

**WOLF HALDENSTEIN ADLER
FREEMAN & HERZ LLP**

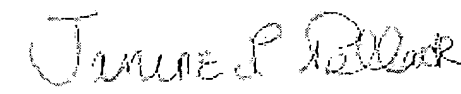
270 Madison Avenue
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FREEMAN & HERZ LLP**

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DATE: February 5, 2020

THE SULTZER LAW GROUP P.C.


Janine L. Pollack

THE SULTZER LAW GROUP P.C.

270 Madison Ave., Suite 1800
New York, NY 10016

DATE: 2/5/20

McLAUGHLIN & STERN LLP


Lee Shalov

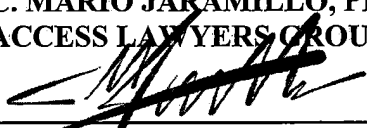
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DATE: February 5, 2020

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ACCESS LAWYERS GROUP)**



C. Mario Jaramillo

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COUNSEL FOR DEFENDANT:

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C. Mario Jaramillo

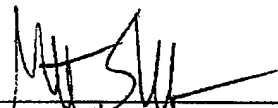
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DATE: 2/5/20



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17 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**

18 **FOR THE COUNTY OF RIVERSIDE - RIVERSIDE COURT**

19
20 **RENOVATE AMERICA FINANCE CASES,**

Case No. RICJCCP4940

21
22
23 **THIS DOCUMENT RELATES TO ALL**
24 **CASES**

AMENDED [PROPOSED] ORDER
PRELIMINARILY APPROVING
SETTLEMENT, PRELIMINARILY
APPROVING CLASS FOR SETTLEMENT
PURPOSES, AND WITH RESPECT TO
CLASS NOTICE, FINAL APPROVAL
HEARING, AND ADMINISTRATION

25
26 Dept.: 06
Judge: Hon. Sunshine Sykes

27 Complaint Filed: November 1, 2016
28 2nd Am. Consol. Compl. Filed: May 1, 2018

1 Upon consideration of the Parties' First Amended Settlement Agreement dated February 5,
2 2020 (the "Settlement Agreement"), attached hereto as Exhibit 1, and the Plaintiffs' Motion for
3 Preliminary Approval of Class Action Settlement, IT IS HEREBY ORDERED AS FOLLOWS:

4 1. The Settlement Agreement and the exhibits thereto are hereby incorporated by
5 reference in this Order as if fully set forth herein. Capitalized terms in this Order shall, unless
6 otherwise defined herein, have the same meaning as in the Settlement Agreement.

7 2. Solely for the purpose of settlement in accordance with the Settlement Agreement,
8 and pursuant to California Rules of Court, rule 3.769, this Court hereby preliminarily approves the
9 following settlement class ("Settlement Class"):

10 (i) all persons or entities who received residential PACE tax
11 assessment financing from WRCOG through the HERO program
12 where the underlying assessment contract was executed by the person
13 or entity between January 1, 2012 and July 7, 2016; (ii) all persons or
14 entities who received residential PACE tax assessment financing from
15 LAC through the HERO program where the underlying assessment
16 contract was executed by the person or entity between January 1, 2012
17 and June 15, 2017; and (iii) all persons or entities who received
18 residential PACE tax assessment financing from SANBAG through
19 the HERO program where the underlying assessment contract was
20 executed by the person or entity between January 1, 2012 and June 15,
21 2017.

22 If, for any reason, the Settlement is not approved or does not become effective, this preliminary
23 approval shall be null and void, the preliminary certification shall be revoked, and the preliminary
24 approval shall not be used or referred to for any purpose in this Action or any other action or
25 proceeding.

26 3. For settlement purposes only, and subject to further consideration at the Final
27 Approval Hearing described in paragraph 14 below, the Settlement Class is preliminarily found to
28 meet the requirements of Rules of Court, rules 3.764 and 3.769(d) and Code of Civil Procedure
section 382. It appears to the Court on a preliminary basis that: (a) the settlement amount is fair and
reasonable to the Class Members when balanced against the probable outcome of further litigation
relating to class certification, liability and damages issues, and potential appeals; (b) significant
investigation, research, discovery and motion practice have been conducted such that counsel for the
Parties at this time are able to reasonably evaluate their respective positions; (c) settlement at this

1 time will avoid substantial costs, delay and risks that would be presented by further litigation; and
2 (d) the proposed Settlement has been reached as the result of intensive, serious and non-collusive
3 negotiations between the Parties and their counsel.

4 4. For settlement purposes only, and after considering the relevant factors in Rule 3.764
5 and 3.769(d), George Loya, Judith Loya, Richard Ramos, Michael Richardson and Shirley Petetan
6 are preliminarily designated as representatives of the Settlement Class. The following attorneys are
7 preliminarily appointed as Class Counsel to represent the Settlement Class:

8 Mark C. Rifkin
9 ~~Randall~~ S. Newman
Wolf Haldenstein Adler Freeman & Herz LLP
270 Madison Avenue
10 New York, NY 10016
(212) 545-4600

11 Betsy C. Manifold
12 Rachele R. Byrd
Wolf Haldenstein Adler Freeman & Herz LLP
13 750 B Street, Suite 1820
San Diego, CA 92101
14 (619) 239-4599

15 Janine L. Pollack
The Sultz Law Group P.C.
16 270 Madison Avenue, Suite 1800
New York, NY 10016
17 (212) 969-7810

18 Lee Shalov
McLaughlin & Stern LLP
19 260 Madison Avenue, 10th Floor
New York, NY 10016
20 (646) 278-4298

21 C. Mario Jaramillo
C. Mario Jaramillo, PLC (dba Access Lawyers Group)
22 527 South Lake Ave., Suite 200
Pasadena, CA 91101
23 (866) 643-9099

24 5. Pursuant to Rules of Court, rule 3.769(c) and (g), the Court finds that the terms of the
25 Settlement Agreement, and the Settlement provided for therein, are preliminarily approved as
26 (a) fair, reasonable, and adequate in light of the relevant factual, legal, practical and procedural
27 considerations of the Action, (b) free of collusion to the detriment of Class Members, and (c) within
28

1 the range of possible final judicial approval, subject to further consideration thereof at the Final
2 Approval Hearing described at paragraph 14 of this Order. Accordingly, the Settlement Agreement
3 and the Settlement are sufficient to warrant notice thereof, as set forth below, and a full hearing on
4 the Settlement.

5 6. Pursuant to the terms of the Settlement Agreement, Defendant will prepare the Class
6 Member List and provide it to Epiq Systems, Inc. (hereafter, the "Settlement Administrator").
7 Within forty-five (45) days of the date of entry of this Order, and pursuant to the procedures detailed
8 in the Settlement Agreement, the Settlement Administrator shall provide notice of the Settlement and
9 of the Final Approval Hearing to each Class Member by emailing to the email address for the Class
10 Member a copy of the Class Notice, substantially in the form attached hereto as Exhibit 2, which
11 shall include accompanying exclusion and objection forms that Class Members may use,
12 substantially in the forms attached hereto as Exhibit 3. Before sending, the Settlement Administrator
13 shall fill-in all applicable dates and deadlines in the Class Notice to conform with the dates and
14 deadlines specified for such events in this Order. As provided in the Settlement Agreement, if no
15 such email address exists for a Class Member, the notice will be mailed to his or her mailing address.
16 All other notice provisions in the Settlement Agreement shall also be followed.

17 7. Epiq is hereby approved and appointed as Settlement Administrator and will perform
18 the necessary settlement administration duties, including providing notice to Class Members,
19 responding to Class Member inquiries, notifying the parties of any Successful Opt-Outs, providing
20 any approved Settlement Checks to Class Members, and undertaking any other settlement
21 administration duties required by the Settlement Agreement or the Court.

22 8. If any Class Notice mailed pursuant to the Settlement Agreement and paragraph 6
23 above is returned by the United States Postal Service as undeliverable, then the Settlement
24 Administrator and Defendant shall comply with the terms of the Settlement Agreement for re-
25 mailing and further attempts to locate Class Members. If any Class Notice sent by email is returned
26 as undeliverable, the Settlement Administrator shall re-mail the Class Notice to the mailing address
27 for that Class Member, following the same procedures as set forth for mailed notice in the
28 Settlement Agreement.

1 9. The Court finds that the Settlement Agreement's plan for class notice is the best
2 notice practicable under the circumstances and satisfies the requirements of due process and Rules of
3 Court, rules 3.766 and 3.769(f). That plan is approved and accepted. This Court further finds that
4 the Class Notice complies with Rules of Court, rules 3.766 and 3.769(f) and is appropriate as part of
5 the notice plan and the Settlement, and thus it is hereby approved and adopted. This Court further
6 finds that no other notice other than that identified in the Settlement Agreement is reasonably
7 necessary in the Action.

8 10. Any person in the Class who wishes to be excluded from the Settlement Class and not
9 be bound by the Settlement Agreement must complete and mail a request for exclusion ("Opt-Out")
10 to the Settlement Administrator at the address set forth in the Class Notice, postmarked no later than
11 one hundred and five (105) days of the date of entry of this Order. For an Opt-Out to be valid, it
12 must be timely (as judged by the postmark deadline set forth above) and (a) state the person's full
13 name, address and telephone number; (b) contain the person's personal and original signature(s) or
14 the original signature of a person previously authorized by law, such as a trustee, guardian, or person
15 acting under power of attorney, to act on behalf of the Class Member (*i.e.*, conformed, reproduced,
16 facsimile, or other non-original signatures are not valid); and (c) unequivocally state the person's
17 intent to be excluded from the Settlement Class, to be excluded from the Settlement, not to
18 participate in the Settlement, and/or to waive all right to the benefits of the Settlement. The Class
19 Member may use the exclusion form provided with the Class Notice. In those cases where a Class
20 Member includes two or more persons who were co-owners of a property and multiple co-owners
21 entered into the relevant PACE tax assessment contract, any or all of the co-owners can opt out and
22 that PACE tax assessment contract will not be part of the Settlement Class. Any person who does
23 not submit a Successful Opt-Out, or otherwise comply with all requirements for opting out as are
24 contained in this Order, the Settlement Agreement and the Class Notice, shall be bound by the
25 Settlement Agreement, including the Release, as embodied in paragraphs 5.01 and 5.02 of the
26 Settlement Agreement, and any Final Judgment entered in the Action. Further, any person who is a
27 Successful Opt-Out will be deemed to have waived any rights or benefits under the Settlement, and
28 will not have standing to object to the Settlement.

1 11. Any Class Member who wishes to object to the Settlement, in whole or in part, must
2 serve a written Objection to the Settlement or Settlement Agreement to the Settlement Administrator
3 no later than one hundred and five (105) days after the date of entry of this Order. After this period
4 has run, the Settlement Administrator must file, concurrently with the Plaintiffs' motion for final
5 approval, a declaration with the Court of any received Objections. To be considered valid, each
6 Objection must be timely (as judged by the filing deadline set forth above) and set forth the Class
7 Member's full name, a statement of the legal and factual bases for the Objection, and provide copies
8 of any documents that the Class Member wishes to submit in support of his/her objection(s). The
9 Class Member may use the objection form provided with the Class Notice. Any Class Member who
10 does not submit a timely and valid Objection in complete accordance with this Order, the Class
11 Notice and the Settlement Agreement, or as otherwise ordered by the Court, may not be treated as
12 having filed a valid Objection to the Settlement. Objections that are untimely and/or otherwise
13 invalid may not be considered by this Court.

14 12. Class Counsel shall give notice to any objecting Class Member of any continuance of
15 the date or time for the Final Approval Hearing.

16 13. Class Counsel shall file their petition for attorneys' fees and expenses no later than
17 forty-five (45) days after the Class Notice deadline. Prior to the Final Approval Hearing (described
18 in Paragraph 14 below), Representative Plaintiffs and Class Counsel may make a written application
19 to the Court for a Class Representative Award. No later than sixteen (16) court days prior to the
20 Final Approval Hearing, Representative Plaintiffs and Class Counsel may submit any supplemental
21 papers to the Court in further support of their application for final approval of the attorneys' fee
22 award or expenses, and/or application for Class Representative Awards.

23 14. A final hearing (the "Final Approval Hearing") shall be held before the undersigned
24 at 8:30 a.m. on July 8, 2020, in Department 6 of the Superior Court of California for the County of
25 Riverside, located at 4050 Main Street, Riverside, California 92501, to determine, among other
26 things, (a) whether the proposed Settlement should be approved as fair, reasonable and adequate, (b)
27 whether judgement should be entered in the Action pursuant to the terms of the Settlement
28 Agreement, (c) whether Class Members who have not opted out should be bound by the Release set

1 forth in the Settlement Agreement, (d) whether the Settlement Class should be finally certified, (e)
2 the amount of attorneys' fees and costs to be awarded to Class Counsel, if any, and (f) the amounts
3 to be awarded to Representative Plaintiffs for their service as class representatives, if any. This
4 hearing may be postponed, adjourned, or continued by docketed order of the Court without further
5 written notice to the Settlement Class.

6 15. No later than forty-five (45) days after the Class Notice deadline, Representative
7 Plaintiffs and Class Counsel shall file their motion seeking final approval of the settlement. No later
8 than sixteen (16) court days prior to the Final Approval Hearing, Representative Plaintiffs and Class
9 Counsel may submit any supplemental papers to the Court in further support of their application for
10 final approval of the settlement.

11 16. Any Class Member who wishes to appear at the Final Approval Hearing, whether *pro*
12 *se* or through counsel, will be requested, but not required, to file a notice of appearance in the Action
13 at least fourteen (14) days before the Final Approval Hearing, and to serve the notice and other
14 pleadings upon Class Counsel and Counsel for the Defendant.

15 17. All other events contemplated by the Settlement Agreement to occur after this Order
16 and before the Final Approval Hearing shall be governed by the Settlement Agreement, to the extent
17 not inconsistent herewith.

18 18. All proceedings in the Action, other than such as may be necessary to carry out the
19 terms and conditions of the Settlement Agreement or the responsibilities related or incidental thereto,
20 are stayed and suspended until further order of this Court.

21 19. If Final Approval of the Settlement is not achieved, or if the Settlement is terminated
22 for any reason, the Settlement and all proceedings had in connection therewith shall be without
23 prejudice to the status quo ante rights of the Parties to the Action, and all Orders issued pursuant to
24 the Settlement may be vacated upon a motion or stipulation from the Parties. In such an event, the
25 Settlement and all negotiations concerning it shall not be used or referred to in this Action for any
26 purpose whatsoever. This Order shall be of no force or effect if Final Approval does not occur for
27 any reason, and nothing in this Order shall be construed or used as an admission, concession, or
28 declaration by or against Defendant, of any fault, wrongdoing, breach, or liability. Nor shall this

/

Order be construed by or against Representative Plaintiffs or the Class Members that their claims lack merit or that the relief requested in these Action is inappropriate, improper, or unavailable, or as a waiver by any Party of any defenses it may have. Nor shall this Order be construed or used to show that certification of one or more classes would or would not be appropriate if the Action were to be litigated rather than settled.

20. Neither the Settlement nor the Settlement Agreement constitutes an admission, concession, or indication by the Parties of the validity of any claims or defenses in the Action or of any wrongdoing, liability, or violation of law by the Defendant, who vigorously denies all of the claims and allegations raised in the Action.

SO ORDERED.

Dated: _____

By: _____
Hon. Sunshine Sykes
Judge of the Superior Court

EXHIBIT B

A court authorized this notice. This is not a solicitation from a lawyer.

The case is *In re Renovate America Finance Cases*,
Riverside County Superior Court Case No. RICJCCP4940

**NOTICE OF PENDENCY OF CLASS ACTION,
PROPOSED SETTLEMENT, AND FINAL APPROVAL
HEARING**

You have received this notice because you obtained Property Assessed Clean Energy (“PACE”) tax assessment financing through Renovate America, Inc.’s (“Renovate”) HERO Program. Your PACE assessment was authorized and financed by either Los Angeles County between January 1, 2012 and June 15, 2017, the Western Riverside Council of Governments between January 1, 2012 and July 7, 2016, or the San Bernardino Associated Governments between January 1, 2012 and June 15, 2017.

A class action lawsuit may affect your rights.

- This notice describes a proposed class action settlement. Please read this Notice carefully, as the proposed settlement described below may affect your legal rights and provide benefits. *This is not a notice of a lawsuit against you. This is not an attempt to collect money from you.*

- On November 1, 2016, three class action lawsuits were filed against Renovate that were later coordinated into one action before the Riverside County Superior Court and renamed: *In re Renovate America Finance Cases*, Case No. RICJCCP4940. Those lawsuits, which have been amended over time, generally allege that Renovate's HERO programs with Los Angeles County, the Western Riverside Council of Governments, and the San Bernardino Associated Governments, failed to adequately disclose certain fees and interest associated with the HERO programs. The lawsuits allege that these disclosures, and the resulting receipt of those fees and interest, violated California's Unfair Competition Law, as further described below. Renovate vigorously disputes all of these claims and does not believe that the HERO programs violated any law.
- There is now a proposed class action settlement in the matter. Under the terms of the Settlement Agreement, Renovate has agreed to make a payment to each eligible Class Member (each person receiving this notice).
- The Court has not decided whether Renovate did anything wrong or whether to approve the settlement. However, your legal rights are affected, and you have a choice to make now:

YOUR LEGAL RIGHTS AND OPTIONS IN THE LAWSUIT	
DO NOTHING	<p>Await the outcome. Give up certain rights.</p> <p>If the proposed settlement is approved, you would receive a payment mailed to you; the parties estimate the average check will be approximately \$_____.</p>
OBJECT	<p>Write to the Court about why you don't like the proposed settlement. You can use the enclosed form.</p> <p>If the settlement is approved by the Court despite your objection, you will still receive a payment mailed to you.</p>
EXCLUDE YOURSELF SO THAT YOU MAY FILE AN INDIVIDUAL LAWSUIT	<p>Write to the Court and exclude yourself from this class action settlement. You can use the enclosed form.</p> <p>You will not receive any payment if the settlement is approved, but you will keep any rights to sue Renovate individually about the same legal claims in this lawsuit.</p>

Any further questions? Contact _____.

WHAT THIS NOTICE CONTAINS

BASIC INFORMATION..... PAGE 4

1. Why did I get this notice?
2. What is this lawsuit about?
3. What is a class action and who is involved?
4. Has the Court decided who is right?
5. What are the Plaintiffs asking for?
6. What does the settlement provide?

WHO IS IN THE CLASS..... PAGE 6

7. How do I know if I am part of this Class?

YOUR RIGHTS AND OPTIONS..... PAGE 6

8. What happens if I do nothing at all?
9. Why would I ask to be excluded?
10. How do I ask the Court to exclude me from the Class?
11. How do I Object to the Settlement?

THE LAWYERS REPRESENTING YOU PAGE 7

12. Do I have a lawyer in this case?
13. Should I get my own lawyer?
14. How will the lawyers be paid?

THE COURT'S FINAL APPROVAL HEARING PAGE 8

15. When and where will the Court decide whether to approve the settlement?
16. Do I have to come to the hearing?

GETTING MORE INFORMATION..... PAGE 8

17. Are more details available?

BASIC INFORMATION

1. Why did I get this notice?

A Court authorized the notice because you have a right to know about a proposed settlement of this class action lawsuit and about all of your options before the Court decides whether to give “Final Approval” to the settlement. This notice explains the lawsuit, the settlement, and your legal rights. Judge Sunshine Sykes, of the Riverside County, California, Superior Court is overseeing this class action. The case is known as *In re Renovate America Finance Cases*, Case No. RICJCCP4940.

A court hearing to consider whether to finally approve the Settlement will be held on _____, **2020 at ____ a.m./p.m.**, in Department 6 of the Superior Court of California for the County of Riverside, located at 4050 Main Street, Riverside, California 92501 (“Final Approval Hearing”).

2. What is this lawsuit about?

In the Action, Plaintiffs allege that Renovate violated California’s Unfair Competition Law (“UCL”), California Business & Professions Code section 17200 *et seq.*, based on certain written disclosures used in connection with PACE tax assessments under the HERO programs offered through Los Angeles County, the Western Riverside Council of Governments, and the San Bernardino Associated Governments (the “Government PACE Providers”). Under the UCL, a party may not conduct business or otherwise engage in conduct that is unfair, unlawful or fraudulent. Plaintiffs allege the disclosures relating to certain interest and fees were inadequate, and that it was unfair for consumers to have to pay inadequately disclosed interest and fees. Plaintiffs initially sued the Government PACE Providers and alleged other claims, but those defendants and claims have been dismissed by a court.

Renovate disputes all the Plaintiffs’ claims and does not believe that the HERO programs violated any laws. Renovate also denies that class certification is required or appropriate.

Class Counsel has conducted an investigation into the relevant facts and law. Class Counsel has concluded that the outcome of the Action is uncertain and that a settlement is in the best interests of Plaintiffs and the Settlement Class.

3. What is a class action and who is involved?

In a class action lawsuit, one or more people called “Plaintiffs” or “Class Representatives” (in this case George Loya, Judith Loya, Richard Ramos, Michael Richardson and Shirley Petetan) sue on behalf of other people who have similar claims. The people together are a “Class” or “Class Members.” The company they sued (in this case Renovate) is called the Defendant.

The Riverside County Superior Court (the “Court”) has preliminarily approved a settlement class (the “Settlement Class”), consisting of the following persons:

(i) all persons or entities who received residential PACE tax assessment financing from WRCOG through the HERO program where the underlying assessment contract was executed by the person or entity between January 1, 2012 and July 7, 2016; (ii) all persons or entities who received residential PACE tax assessment financing from LAC through the HERO program where the underlying assessment contract was executed by the person or entity between January 1, 2012 and June 15, 2017; and (iii) all persons or entities who received residential PACE tax assessment financing from SANBAG through the HERO program where the underlying assessment contract was executed by the person or entity between January 1, 2012 and June 15, 2017.

According to Renovate's records, you are a member of this Settlement Class. Further, if you have received more than one copy of this Notice in the mail that may be because you are a member of this Settlement Class with respect to more than one PACE assessment. Moreover, if you joined with another person (such as a spouse or family member) on an account, then you and each person who joined you as to that account collectively have the rights outlined in this Notice.

4. Has the Court decided who is right?

The Court never resolved the claims or defenses in the Action. The Court also never resolved whether Renovate did anything wrong. The Court has determined only that there is sufficient evidence to suggest that the proposed settlement might be fair, adequate, and reasonable, and that any final determination of those issues will be made at the Final Approval Hearing.

5. What are the Plaintiffs asking for?

The Plaintiffs are asking for money to compensate them and the Settlement Class for Renovate's alleged violation of the UCL.

6. What does the settlement provide?

Under the terms of the proposed Settlement, if the Court approves it, Renovate has agreed to provide \$2,550,000.00 in benefits to the Settlement Class. Out of this \$2,550,000.00 in total class benefits, Class Counsel (identified in Section 12 below) has agreed to seek no more than a maximum of \$841,500.00 for attorneys' fees (33% of the settlement fund), plus expenses not to exceed \$_____, and \$20,000 in total service awards for the Class Representatives, all to be paid out of the settlement fund. The remainder of the cash settlement fund, estimated to be approximately \$_____, will be used to pay the settlement administration costs of a third party (the "Settlement Administrator") and will be used to pay the Settlement Class pro rata based on the total number of Class Members who do not opt-out of the settlement. The Settlement Administrator estimates that settlement administration costs will be approximately \$116,647.

Based upon information provided by Defendant, which included the number of PACE assessments in the Settlement Class as well as to total principal amount of PACE assessments in the Settlement Class, and if the Court approves the requested attorneys' fees, expenses and awards, Plaintiffs estimate that, pursuant to the allocation formula described in the Settlement Agreement, the average Class Member will receive a check for approximately \$20; however, that amount could be more or less depending on a variety of factors including the size of the Class Member's financing contract. Plaintiffs estimate that the lowest net recovery will be approximately \$4.35 and the largest net recovery will be approximately \$242.61.

WHO IS IN THE CLASS

7. How do I know if I am part of this Class?

This Notice is being issued only to consumers that Renovate has identified as Class Members. The preliminarily approved Settlement Class is described in Section 3 above.

YOUR RIGHTS AND OPTIONS

8. What happens if I do nothing at all?

You don't have to do anything now if you want to keep the possibility of getting money or benefits from this proposed settlement. If this settlement is approved by the Court, you will automatically receive a check in the mail. You will be releasing any claims you may have related to the allegations in this lawsuit. You will not be able to participate in any lawsuit against Renovate for the same legal claims that are the subject of this lawsuit. You will also be legally bound by all of the orders the Court issues and judgments the Court makes in this class action. The Settlement Agreement specifically provides:

Upon Final Approval, and in consideration of the promises and covenants set forth in this Agreement, the Representative Plaintiffs and each Class Member who is not a Successful Opt-Out, and all those who claim through them or who assert claims (or could assert claims) on their behalf (including the government in the capacity as *parens patriae* or on behalf of creditors or estates of the releasees), and each of them (collectively and individually, the "Releasing Persons"), will be deemed to have completely released and forever discharged Renovate America, Inc., and each of its past, present, and future officers, directors, employees, and agents (collectively and individually, the "Released Persons"), from any claims asserted in the Second Amended Class Action Complaints and any other claims that could have been brought based on the facts alleged in the Second Amended Class Action Complaints. This Release does not release or discharge any causes of action brought against any of the Released Parties in the unrelated matter *Barbara Morgan, et al. v. Renew Financial Group, LLC, et al.*, San Diego County Superior Court Case No. 37-2019-00052045-CU-OR-CTL, which alleges certain causes of action relating to California Civil Code sections 1804.1(j) and 1804.2 of

the California Retail Installments Sales Act. This Release does not release or discharge any causes of action brought against any of the Released Parties in the unrelated matter *Reginald Nemore, et al. v. Renovate America, et al.*, Los Angeles County Superior Court Case No. BC701810. This Release shall be included as part of any judgment, so that all released claims and rights shall be barred by principles of *res judicata*, collateral estoppel, and claim and issue preclusion.

9. Why would I ask to be excluded?

If you already have your own lawsuit against Renovate for the kind of violations alleged by the Plaintiffs and want to continue with it, or if you want to preserve your right to file such a lawsuit, you need to ask to be excluded from the Class. If you exclude yourself from the Class—which also means to remove yourself from the Class, which is sometimes called “opting out” of the Class—you won't get any money or benefits from this lawsuit or settlement. If you exclude yourself, you will not be legally bound by the Court's judgments in this class action.

If you start your own lawsuit against Renovate after you exclude yourself, you'll have to hire and pay your own lawyer for that lawsuit, and you'll have to prove your claims. Renovate can defend itself, and you may lose and recover nothing.

10. How do I ask the Court to exclude me from the Class?

To ask to be excluded, you must send an “Exclusion Request.” If you choose to, you can use the enclosed exclusion form. Be sure to include your name, address, telephone number and date, sign the form and clearly state, “I want to be excluded” or something similar. You must mail your Exclusion Request postmarked by _____ 2020, to:

[Settlement Administrator Address Placeholder]

11. How do I object to the Settlement?

If you wish to object to the settlement or any matters as described in this Notice, you may do so and, if you choose to, you can use the enclosed objection form. Be sure to include your name and identify each objection, the basis for the objection and sign the form. You should include any papers that support the objection. You must mail your objection postmarked by _____ 2020, to:

[Settlement Administrator Address Placeholder]

DO NOT CALL THE COURT. DO NOT CALL OR SEND CORRESPONDENCE TO THE JUDGE OR HER CLERKS.

If you wish to appear at the Final Approval Hearing, whether by yourself or through counsel, you are requested, but not required, to file a notice of appearance in the Action no later than _____, 2020, and to serve the notice and other pleadings upon Class Counsel and Counsel for the Defendant.

If the settlement is approved by the Court, despite your objection, you will still receive a payment mailed to you.

THE LAWYERS REPRESENTING YOU

12. Do I have a lawyer in this case?

Yes. The Court has approved as “Class Counsel” (the attorneys representing you and other members of the Class):

Mark C. Rifkin, Randall S. Newman, Wolf Haldenstein Adler Freeman & Herz LLP, 270 Madison Avenue, New York, NY 10016, (212) 545-4600

Betsy C. Manifold, Rachele R. Byrd, Wolf Haldenstein Adler Freeman & Herz LLP, 750 B Street, Suite 1820, San Diego, CA 92101, (619) 239-4599

Janine L. Pollack, The Sultz Law Group P.C., 270 Madison Avenue, Suite 1800, New York, NY 10016, (212) 969-7810

Lee Shalov, McLaughlin & Stern LLP, 260 Madison Avenue, 10th Floor, New York, NY, 10016, (646) 278-4298

C. Mario Jaramillo, C. Mario Jaramillo, PLC (dba Access Lawyers Group), 527 South Lake Ave., Suite 200, Pasadena, CA 91101, (866) 643-9099

They are experienced in handling similar consumer cases against other companies.

13. Should I get my own lawyer?

You do not need to hire your own lawyer because Class Counsel is working on your behalf. But, if you want your own lawyer, you will have to pay that lawyer. For example, you can ask him or her to appear in Court for you if you want someone other than Class Counsel to speak for you.

14. How will the lawyers be paid?

If Class Counsel obtain money or benefits for the Class, they will ask the Court for fees and expenses. You won't have to pay these fees and expenses, they will be deducted from the Settlement Fund. The amount Class Counsel may seek for fees and costs is described in Section 6 above. You may review Class Counsel's petition for fees and costs which will be filed with the Clerk of the Court within 45 days of the mailing of this notice.

THE COURT'S FINAL APPROVAL HEARING

15. When and where will the Court decide whether to approve the settlement?

The Court will hold a Final Approval Hearing to consider whether to finally approve the Settlement. It will be held on _____, 2020 at _____ a.m./p.m., Department 6, Superior Court for the County of Riverside, 4050 Main Street, Riverside, California 92501.

At the Final Approval Hearing, the Court will consider whether the settlement, including Class Counsel's request for attorneys' fees and costs, is fair, reasonable, and adequate and should be granted Final Approval. If there are objections, the Court will consider them. The Final Approval Hearing may be moved to a different date, extended, or moved to a different Courtroom without additional notice.

16. Do I have to come to the hearing?

No. Class Counsel will answer any questions the Court may have. However, you are welcome to attend the hearing at your own expense. If you send in a written objection, you do not have to come to the Final Approval Hearing to talk about it. As long as you mailed your written objection on time, the Court will consider it. See Section 13 above for details on what to do if you or your attorney wish to attend the hearing.

GETTING MORE INFORMATION

17. Are more details available?

Yes. You may contact Class Counsel or the Settlement Administrator for more details and documents, including the Settlement Agreement.

You may also access additional details and all papers regarding the settlement online at the settlement website at www._____.com; or via the electronic document filing system maintained by the Clerk of the Court for the Superior Court for the County of Riverside, at <https://www.riverside.courts.ca.gov/>. You may also get case documents from the Superior Court for the County of Riverside at 4050 Main Street, Riverside, California 92501. The Settlement Agreement was filed with the Court as an attachment to the Declaration of [Name], which was filed on [Date].

DATE: _____

EXHIBIT C

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Attorneys for Plaintiffs

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF RIVERSIDE - RIVERSIDE COURT**

RENOVATE AMERICA FINANCE CASES,

Case No. RICJCCP4940

**FINAL ORDER AND JUDGMENT
APPROVING SETTLEMENT,
CERTIFYING SETTLEMENT CLASS, AND
DISMISSING ACTION**

THIS DOCUMENT RELATES TO ALL
CASES

Dept.: 06
Judge: Hon. Sunshine Sykes

Complaint Filed: November 1, 2016
2nd Am. Consol. Compl. Filed: May 1, 2018

1 This matter having come before the Court on _____ upon the Motion of
2 plaintiffs George Loya, Judith Loya, Richard Ramos, Michael Richardson and Shirley Petetan
3 (collectively, "Representative Plaintiffs"), individually and on behalf of a class of persons, for Final
4 Approval of a settlement reached between the Parties, and upon review and consideration of the
5 Settlement Agreement dated _____ (the "Settlement Agreement"), the exhibits to the
6 Settlement Agreement, the evidence and arguments of counsel presented at the Final Approval
7 Hearing, and the submissions filed with this Court in connection with the Final Approval Hearing,
8 IT IS HEREBY ORDERED and adjudged as follows:

9 1. Pursuant to California Rules of Court, rules 3.769(g) and (h) and 3.770, the
10 Settlement of this action, as embodied in the terms of the Settlement Agreement, is hereby finally
11 approved as a fair, reasonable and adequate settlement of this Action in light of the factual, legal,
12 practical and procedural considerations raised by this action. The Settlement Agreement is hereby
13 incorporated by reference into this Final Order and Judgment Approving Settlement, Certifying
14 Settlement Class, and Dismissing Action ("Final Approval Order"). Capitalized terms in this Order
15 shall, unless otherwise defined, have the same meaning as in the Settlement Agreement.

16 2. For settlement purposes only, the Settlement Class, as that term is defined in
17 Paragraph 1.27 of the Settlement Agreement, is found to meet the requirements of Rules of Court
18 3.764, 3.765 and 3.769(d) and Code of Civil Procedure section 382.

19 3. Solely for the purpose of the Settlement and pursuant to Rule of Court 3.769(d), the
20 Court hereby finally certifies the following Settlement Class:

21 (i) all persons or entities who received residential PACE tax
22 assessment financing from WRCOG through the HERO program
23 where the underlying assessment contract was executed by the person
24 or entity between January 1, 2012 and July 7, 2016; (ii) all persons or
25 entities who received residential PACE tax assessment financing from
26 LAC through the HERO program where the underlying assessment
27 contract was executed by the person or entity between January 1, 2012
28 and June 15, 2017; and (iii) all persons or entities who received
residential PACE tax assessment financing from SANBAG through
the HERO program where the underlying assessment contract was
executed by the person or entity between January 1, 2012 and June 15,
2017.

4. The Court specifically finds that:

(a) The Class is so numerous that joinder of all members is impracticable.

1 (b) There are questions of law or fact common to the Class.

2 (c) The claims of Representative Plaintiffs are typical of the claims of the Class that
3 Representative Plaintiffs seek to certify.

4 (d) Representative Plaintiffs and Class Counsel will fairly and adequately protect the
5 interests of the Class.

6 (e) The questions of law or fact common to members of the Class, and which are
7 relevant for settlement purposes, predominate over the questions affecting only
8 individual members.

9 (f) Certification of the Class is superior to other available methods for fair and
10 efficient adjudication of the controversy.

11 5. The Court appoints George Loya, Judith Loya, Richard Ramos, Michael Richardson
12 and Shirley Petetan as Representative Plaintiffs of the Settlement Class, and finds that they meet the
13 requirements of Rule of Court 3.769(d) and Code of Civil Procedure section 382.

14 6. The Court appoints the following lawyers as Class Counsel to the Settlement Class,
15 and finds that they meet the requirements of Rule of Court 3.769:

16 Mark C. Rifkin
17 Randall S. Newman
18 Wolf Haldenstein Adler Freeman & Herz LLP
19 270 Madison Avenue
20 New York, NY 10016
21 (212) 545-4600

22 Betsy C. Manifold
23 Rachele R. Byrd
24 Wolf Haldenstein Adler Freeman & Herz LLP
25 750 B Street, Suite 1820
26 San Diego, CA 92101
27 (619) 239-4599

28 Janine L. Pollack
The Sultz Law Group P.C.
270 Madison Avenue, Suite 1800
New York, NY 10016
(212) 969-7810

Lee Shalov
McLaughlin & Stern LLP
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(646) 278-4298

C. Mario Jaramillo
C. Mario Jaramillo, PLC (dba Access Lawyers Group)
527 South Lake Ave., Suite 200
Pasadena, CA 91101
(866) 643-9099

1
2 7. This Court convened the Final Approval Hearing at _____ on
3 _____, in Department 6 of the Superior Court of California for the County of
4 Riverside, located at 4050 Main Street, Riverside, California 92501. The parties appeared through
5 their counsel. Counsel presented argument at that time.

6 8. The Court finds that notice previously given to Class Members in the Action was the
7 best notice practicable under the circumstances and satisfies the requirements of due process and
8 Rules of Court, rules 3.766 and 3.769(f). The Court further finds that, because (a) adequate notice
9 has been provided to all Class Members and (b) all Class Members have been given the opportunity
10 to object to, and/or request exclusion from, the Settlement, the Court has jurisdiction over all Class
11 Members. The Court further finds that all requirements of statute, rule, and the Constitution
12 necessary to effectuate this Settlement have been met and satisfied.

13 9. Pursuant to Rule of Court 3.769(g), the Court has considered whether the Settlement,
14 as set forth in the Settlement Agreement, should be approved under the fairness standards set forth in
15 *Kullar v. Foot Locker Retail, Inc.*, 168 Cal. App. 4th 116, 128 (2008); *see also Dunk v. Ford Motor*
16 *Co.*, 48 Cal. App. 4th 1794, 1801 (1996). The Court finds that the Settlement is fair, adequate, and
17 reasonable, after due consideration of (1) the strength of plaintiff's case balanced against the
18 settlement amount; (2) the risk, expense, complexity and likely duration of further litigation,
19 including the risk of maintaining class action status through trial; (3) the amount offered in
20 settlement; (4) the extent of discovery completed and the stage of the proceedings; (5) the experience
21 and view of counsel; and (6) the reaction of the Class Members to the proposed Settlement. In
22 reaching these findings on the *Kullar* factors, the Court considered all written submissions,
23 affidavits, and arguments of counsel, as well as the entire record in the case. After notice and a
24 hearing, this Court finds that the terms of the Settlement and the Settlement Agreement, including all
25 exhibits thereto, are fair, adequate and reasonable, and are in the best interest of the Settlement
26 Class. Accordingly, the Settlement and the Settlement Agreement should be and are approved and
27 the Settlement Agreement shall govern all issues regarding the Settlement and all rights of the
28 Parties, including the rights of the Class Members.

1 10. Upon consideration of Class Counsel's application for attorneys' fees and litigation
2 costs, the aggregate amount of the Attorney Fee/Litigation Cost Award is hereby fixed at

3 \$_____, which consists of \$_____ in attorneys' fees and \$_____ in costs.

4 This aggregate award resolves, without limitation, all claims for attorneys' fees and litigation costs
5 incurred by (a) Class Counsel, (b) any other counsel representing (or purporting to represent) the
6 Representative Plaintiffs or Class Members (or any of them), and (c) Representative Plaintiffs or the
7 Class Members (or any of them), in connection with or related to any matter in the Action, the
8 Settlement, the administration of the Settlement, and any of the matters or claims within the scope of
9 the Release, as embodied in paragraphs 5.01 and 5.02 of the Settlement Agreement.

10 11. Upon consideration of Representative Plaintiffs' application for an award to the
11 Representative Plaintiffs, the amount of the Class Representative Award is hereby fixed at five
12 thousand dollars (\$5,000.00) to individual plaintiffs Richard Ramos, Michael Richardson and
13 Shirley Petetan. George and Judith Loya will receive one joint \$5,000.00 payment.

14 12. In accordance with the Settlement Agreement, and to effectuate the Settlement,
15 Defendant shall cause:

16 (a) the Benefit Checks (and Supplemental Benefit Checks if appropriate) to be
17 provided to Class Members in accordance with the terms of the Settlement Agreement, which shall
18 all expire after ninety (90) days;

19 (b) the aggregate Attorney Fee/Litigation Cost Award made in Paragraph 10
20 above to be disbursed to Class Counsel in accordance with the terms of the Settlement Agreement;

21 (c) the Class Representative Award made in Paragraph 11 above to be disbursed
22 to Class Counsel in accordance with the terms of the Settlement Agreement;

23 (d) to be recommended to WRCOG and LAC the Disclosure Changes; and

24 (e) the Settlement Administration Costs to be paid in accordance with the terms
25 of the Settlement Agreement.

26 13. This Final Approval Order shall be the final judgment resolving the Action and all
27 claims against the Defendant. The judgment shall be without costs to any Party.
28

1 14. Representative Plaintiffs and each Class Member shall be forever bound by this Final
2 Approval Order and the Settlement Agreement including the Release set forth in paragraphs 5.01
3 and 5.02 of the Settlement Agreement, which provides as follows:

4 5.01 Upon Final Approval, and in consideration of the promises and covenants set
5 forth in this Agreement, the Representative Plaintiffs and each Class Member who is not a
6 Successful Opt-Out, and all those who claim through them or who assert claims (or could
7 assert claims) on their behalf (including the government in the capacity as *parens patriae* or
8 on behalf of creditors or estates of the releasees), and each of them (collectively and
9 individually, the “Releasing Persons”), will be deemed to have completely released and
10 forever discharged Renovate America, Inc., and each of its past, present, and future officers,
11 directors, employees, and agents (collectively and individually, the “Released Persons”),
12 from any claims asserted in the Second Amended Class Action Complaints and any other
13 claims that could have been brought based on the facts alleged in the Second Amended Class
14 Action Complaints. This Release does not release or discharge any causes of action brought
15 against any of the Released Parties in the unrelated matter *Barbara Morgan, et al. v. Renew*
16 *Financial Group, LLC, et al.*, San Diego County Superior Court Case No. 37-2019-
17 00052045-CU-OR-CTL, which alleges certain causes of action relating to California Civil
18 Code sections 1804.1(j) and 1804.2 of the California Retail Installments Sales Act. This
19 Release does not release or discharge any causes of action brought against any of the
20 Released Parties in the unrelated matter *Reginald Nemore, et al. v. Renovate America, et al.*,
21 Los Angeles County Superior Court Case No. BC701810. This Release shall be included as
22 part of any judgment, so that all released claims and rights shall be barred by principles of res
23 judicata, collateral estoppel, and claim and issue preclusion.

24 5.02 In addition to the provisions of paragraph 5.01 above, the Representative
25 Plaintiffs only hereby expressly agree that, upon Final Approval, each will waive and release
26 any and all provisions, rights, and benefits conferred either: (a) by Section 1542 of the
27 California Civil Code, or (b) by any law of any state or territory of the United States, or
28 principle of common law, which is similar, comparable, or equivalent to section 1542 of the

1 California Civil Code, with respect to the claims released pursuant to paragraph 5.01 above.
2 Section 1542 of the California Civil Code reads:

3 Section 1542. A general release does not extend to claims that the creditor
4 or releasing party does not know or suspect to exist in his or her favor at
5 the time of executing the release and that, if known by him or her, would
6 have materially affected his or her settlement with the debtor or released
7 party.

8 The Representative Plaintiffs' waiver of all rights and benefits afforded by Section
9 1542 is done with the understanding and acknowledgement of the significance of such a
10 specific waiver of Section 1542. Notwithstanding the provisions of Section 1542, and for the
11 purpose of implementing a full and complete release and discharge of each and all the
12 Released Persons, the Representative Plaintiffs expressly acknowledge that this Agreement is
13 intended to include in its effect (without limitation) all claims that the Releasing Persons
14 know or suspect to exist in their favor, as well as all claims that the Representative Plaintiffs
15 do not know or suspect to exist in their favor at the time the Parties execute this Agreement,
16 which contemplates the extinguishment of any such claims. This waiver also applies to any
17 other relevant re-codification or similar laws implemented hereafter substantially covering
18 the subject matter of Section 1542.

19 Whether a beneficiary of California law or otherwise, Representative Plaintiffs
20 acknowledge that he or she may hereafter discover facts other than or different from those
21 that he or she knows or believes to be true with respect to the subject matter of the claims
22 released pursuant to the terms of paragraph 5.01 above, but each of those individuals
23 expressly agree that, upon entry of the final judgment contemplated by this Settlement
24 Agreement, he and she shall have waived and fully, finally, and forever settled and released
25 any known or unknown, suspected or unsuspected, asserted or unasserted, contingent or non-
26 contingent claim with respect to the claims released pursuant to paragraph 5.01 above,
27 whether or not concealed or hidden, without regard to subsequent discovery or existence of
28 such different or additional facts.

1 15. The Release set forth in paragraph 14 above and in the Settlement Agreement shall
2 have *res judicata* and other preclusive effect in all pending and future claims, lawsuits, other
3 proceedings maintained by or on behalf of Representative Plaintiffs, Class Members and each of the
4 Releasing Persons concerning matters and claims that are encompassed within the scope of the
5 Release, as embodied in paragraphs 5.01 and 5.02 of the Settlement Agreement.

6 16. The Released Persons each are hereby forever discharged by Representative
7 Plaintiffs, Class Members and the Releasing Parties from all matters and claims within the scope of
8 the Release, as embodied in paragraphs 5.01 and 5.02 of the Settlement Agreement.

9 17. This Final Approval Order, the Settlement Agreement, any document referred to in
10 this Order, any action taken to carry out this Order, any negotiations or proceedings related to any
11 such documents or actions, and the carrying out of and entering into the terms of the Settlement
12 Agreement, shall not be construed as, offered as, received as or deemed to be evidence,
13 impeachment material, or an admission or concession with regard to any fault, wrongdoing or
14 liability on the part of the Defendant whatsoever in the Action, or in any other judicial,
15 administrative, regulatory action or other proceeding; provided, however, this Order may be filed in
16 any action or proceeding against or by the Defendant or the Released Persons, or any one of them, to
17 enforce the Settlement Agreement or to support a defense of *res judicata*, collateral estoppel, release,
18 accord and satisfaction, good faith settlement, judgment bar or reduction, or any theory of claim
19 preclusion or issue preclusion or similar defense or counterclaim. Successful Opt-Outs, as defined in
20 the Settlement Agreement, shall be exempted from being covered by the terms of this Order and the
21 Release.

22 18. The notice required by Rule of Court, rule 3.769(f) has been provided, more than 90
23 days has passed between when that notice was given and the entry of this Final Approval Order, and
24 there shall be no basis under Rules of Court 3.766 and 3.769 for any Class Member to refuse or fail
25 to be bound by the Settlement Agreement or this Order.

26 19. In the event that Final Approval is not achieved for any reason, then the Settlement
27 Agreement, this Final Approval Order, the certification of the Settlement Class and all other terms
28

1 herein, together with any other orders or rulings arising from or relating to the Settlement
2 Agreement, shall be void and their effect vacated.

3 20. Within thirty (30) days after the expiration of all Benefit Checks and Supplemental
4 Benefit Checks, the parties shall file a report with the Court detailing the distribution of the
5 Settlement Fund and, if necessary, submitting a declaration and proposed amended judgment
6 pursuant to California Code of Civil Procedure section 384(b).

7 21. Except as expressly provided for in this Final Approval Order, the Settlement
8 Agreement shall govern all matters incident to the administration of the Settlement hereafter,
9 including applicable deadlines, until further order of this Court or written agreement of the Parties.

10 22. Without in any way affecting the finality of this Final Approval Order for purposes of
11 appeal, this Court hereby retains jurisdiction as to all matters relating to the interpretation,
12 administration, implementation, effectuation and/or enforcement of the Settlement Agreement and/or
13 this Order.

14
15 **SO ORDERED.**

16
17
18 Dated: _____

By: _____
Hon. Sunshine Sykes
Judge of the Superior Court

EXHIBIT D

EXISTING DISCLOSURES

Current:

- d. **Recording Fee and One-time Assessment Administration Fee.** At the time of closing, the Authority will pass-through the assessment recording fee of \$20.00 to you to cover the cost of recording the assessment, which will be included in the principal amount of the assessment or may be paid upfront by you at closing. At the time of closing, the Authority will charge you a one-time assessment administration fee of \$100.00, which will be included in the principal amount of the assessment or may be paid upfront by you at closing. In addition, you will be required to pay recording fees charged by the County in connection with any prepayment or the discharge of the assessment.

As Revised:

- d. **Recording Fee and One-time Assessment Administration Fee.** At the time of closing, the Authority will charge you an assessment recording fee of \$20.00 to cover the cost of recording the assessment, which will be included in the principal amount of the assessment or may be paid upfront by you at closing. At the time of closing, the Authority will charge you a one-time assessment administration fee of \$100.00, which will be included in the principal amount of the assessment or may be paid upfront by you at closing. In addition, you will be required to pay a recording fee charged by the County in connection with any prepayment or the discharge of the assessment.

* * *

Current:

- f. **Interest Before First Payment:** Interest that accrues during the period between your funding date and September 2nd of the year in which you make your first assessment payment will be included in the principal amount of the assessment in accordance with the Improvement Bond Act of 1915. The maximum amount of interest before your first assessment payment will be disclosed in your financing documents. Depending on the date the assessment is recorded on your Property, your first assessment payment may not be due until the following tax year.

As Revised:

- f. **Interest Before First Payment:** Interest that accrues during the period between your funding date and September 2nd of the year in which you make your first assessment payment will be included in the principal amount of the assessment in conformance with the Improvement Bond Act of 1915. The maximum amount of interest before your first assessment payment will be disclosed in your financing documents. Depending on the date the assessment is recorded on your Property, your first assessment payment may not be due until the following tax year. Interest will accrue on the amount of interest included in the principal amount of the assessment in conformance with the Improvement Bond Act of 1915.

NEW DISCLOSURES

- x. **Semi-Annual Payments May Be Required:** Even though the maximum annual Assessment Installment payments are amortized based on a single annual payment, if you make semi-annual property tax payments you may be required to make semi-annual payments on the principal amount of the assessment along with your semi-annual property tax payments. Even if you make such semi-annual payments towards the principal amount of your assessment, those payments may still only be applied to your assessment's principal balance once per year.
- x. **Calculation of Annual Percentage Rate (APR):** The Annual Percentage Rate (APR) disclosed to you in Exhibit B of the Assessment Contract is only an estimated APR, as the accrued interest on your assessment may change depending on your funding date.

EXHIBIT 2

A court authorized this notice. This is not a solicitation from a lawyer.

The case is *In re Renovate America Finance Cases*,
Riverside County Superior Court Case No. RICJCCP4940

**NOTICE OF PENDENCY OF CLASS ACTION,
PROPOSED SETTLEMENT, AND FINAL APPROVAL
HEARING**

You have received this notice because you obtained Property Assessed Clean Energy (“PACE”) tax assessment financing through Renovate America, Inc.’s (“Renovate”) HERO Program. Your PACE assessment was authorized and financed by either Los Angeles County between January 1, 2012 and June 15, 2017, the Western Riverside Council of Governments between January 1, 2012 and July 7, 2016, or the San Bernardino Associated Governments between January 1, 2012 and June 15, 2017.

A class action lawsuit may affect your rights.

- This notice describes a proposed class action settlement. Please read this Notice carefully, as the proposed settlement described below may affect your legal rights and provide benefits. *This is not a notice of a lawsuit against you. This is not an attempt to collect money from you.*

- On November 1, 2016, three class action lawsuits were filed against Renovate that were later coordinated into one action before the Riverside County Superior Court and renamed: *In re Renovate America Finance Cases*, Case No. RICJCCP4940. Those lawsuits, which have been amended over time, generally allege that Renovate's HERO programs with Los Angeles County, the Western Riverside Council of Governments, and the San Bernardino Associated Governments, failed to adequately disclose certain fees and interest associated with the HERO programs. The lawsuits allege that these disclosures, and the resulting receipt of those fees and interest, violated California's Unfair Competition Law, as further described below. Renovate vigorously disputes all of these claims and does not believe that the HERO programs violated any law.
- There is now a proposed class action settlement in the matter. Under the terms of the Settlement Agreement, Renovate has agreed to make a payment to each eligible Class Member (each person receiving this notice).
- The Court has not decided whether Renovate did anything wrong or whether to approve the settlement. However, your legal rights are affected, and you have a choice to make now:

YOUR LEGAL RIGHTS AND OPTIONS IN THE LAWSUIT	
DO NOTHING	<p>Await the outcome. Give up certain rights.</p> <p>If the proposed settlement is approved, you would receive a payment mailed to you; the parties estimate the average check will be approximately \$_____.</p>
OBJECT	<p>Write to the Court about why you don't like the proposed settlement. You can use the enclosed form.</p> <p>If the settlement is approved by the Court despite your objection, you will still receive a payment mailed to you.</p>
EXCLUDE YOURSELF SO THAT YOU MAY FILE AN INDIVIDUAL LAWSUIT	<p>Write to the Court and exclude yourself from this class action settlement. You can use the enclosed form.</p> <p>You will not receive any payment if the settlement is approved, but you will keep any rights to sue Renovate individually about the same legal claims in this lawsuit.</p>

Any further questions? Contact _____.

WHAT THIS NOTICE CONTAINS

BASIC INFORMATION..... PAGE 4

1. Why did I get this notice?
2. What is this lawsuit about?
3. What is a class action and who is involved?
4. Has the Court decided who is right?
5. What are the Plaintiffs asking for?
6. What does the settlement provide?

WHO IS IN THE CLASS..... PAGE 6

7. How do I know if I am part of this Class?

YOUR RIGHTS AND OPTIONS..... PAGE 6

8. What happens if I do nothing at all?
9. Why would I ask to be excluded?
10. How do I ask the Court to exclude me from the Class?
11. How do I Object to the Settlement?

THE LAWYERS REPRESENTING YOU PAGE 7

12. Do I have a lawyer in this case?
13. Should I get my own lawyer?
14. How will the lawyers be paid?

THE COURT'S FINAL APPROVAL HEARING PAGE 8

15. When and where will the Court decide whether to approve the settlement?
16. Do I have to come to the hearing?

GETTING MORE INFORMATION..... PAGE 8

17. Are more details available?

BASIC INFORMATION

1. Why did I get this notice?

A Court authorized the notice because you have a right to know about a proposed settlement of this class action lawsuit and about all of your options before the Court decides whether to give “Final Approval” to the settlement. This notice explains the lawsuit, the settlement, and your legal rights. Judge Sunshine Sykes, of the Riverside County, California, Superior Court is overseeing this class action. The case is known as *In re Renovate America Finance Cases*, Case No. RICJCCP4940.

A court hearing to consider whether to finally approve the Settlement will be held on _____, **2020 at ____ a.m./p.m.**, in Department 6 of the Superior Court of California for the County of Riverside, located at 4050 Main Street, Riverside, California 92501 (“Final Approval Hearing”).

2. What is this lawsuit about?

In the Action, Plaintiffs allege that Renovate violated California’s Unfair Competition Law (“UCL”), California Business & Professions Code section 17200 *et seq.*, based on certain written disclosures used in connection with PACE tax assessments under the HERO programs offered through Los Angeles County, the Western Riverside Council of Governments, and the San Bernardino Associated Governments (the “Government PACE Providers”). Under the UCL, a party may not conduct business or otherwise engage in conduct that is unfair, unlawful or fraudulent. Plaintiffs allege the disclosures relating to certain interest and fees were inadequate, and that it was unfair for consumers to have to pay inadequately disclosed interest and fees. Plaintiffs initially sued the Government PACE Providers and alleged other claims, but those defendants and claims have been dismissed by a court.

Renovate disputes all the Plaintiffs’ claims and does not believe that the HERO programs violated any laws. Renovate also denies that class certification is required or appropriate.

Class Counsel has conducted an investigation into the relevant facts and law. Class Counsel has concluded that the outcome of the Action is uncertain and that a settlement is in the best interests of Plaintiffs and the Settlement Class.

3. What is a class action and who is involved?

In a class action lawsuit, one or more people called “Plaintiffs” or “Class Representatives” (in this case George Loya, Judith Loya, Richard Ramos, Michael Richardson and Shirley Petetan) sue on behalf of other people who have similar claims. The people together are a “Class” or “Class Members.” The company they sued (in this case Renovate) is called the Defendant.

The Riverside County Superior Court (the “Court”) has preliminarily approved a settlement class (the “Settlement Class”), consisting of the following persons:

(i) all persons or entities who received residential PACE tax assessment financing from WRCOG through the HERO program where the underlying assessment contract was executed by the person or entity between January 1, 2012 and July 7, 2016; (ii) all persons or entities who received residential PACE tax assessment financing from LAC through the HERO program where the underlying assessment contract was executed by the person or entity between January 1, 2012 and June 15, 2017; and (iii) all persons or entities who received residential PACE tax assessment financing from SANBAG through the HERO program where the underlying assessment contract was executed by the person or entity between January 1, 2012 and June 15, 2017.

According to Renovate's records, you are a member of this Settlement Class. Further, if you have received more than one copy of this Notice in the mail that may be because you are a member of this Settlement Class with respect to more than one PACE assessment. Moreover, if you joined with another person (such as a spouse or family member) on an account, then you and each person who joined you as to that account collectively have the rights outlined in this Notice.

4. Has the Court decided who is right?

The Court never resolved the claims or defenses in the Action. The Court also never resolved whether Renovate did anything wrong. The Court has determined only that there is sufficient evidence to suggest that the proposed settlement might be fair, adequate, and reasonable, and that any final determination of those issues will be made at the Final Approval Hearing.

5. What are the Plaintiffs asking for?

The Plaintiffs are asking for money to compensate them and the Settlement Class for Renovate's alleged violation of the UCL.

6. What does the settlement provide?

Under the terms of the proposed Settlement, if the Court approves it, Renovate has agreed to provide \$2,550,000.00 in benefits to the Settlement Class. Out of this \$2,550,000.00 in total class benefits, Class Counsel (identified in Section 12 below) has agreed to seek no more than a maximum of \$841,500.00 for attorneys' fees (33% of the settlement fund), plus expenses not to exceed \$_____, and \$20,000 in total service awards for the Class Representatives, all to be paid out of the settlement fund. The remainder of the cash settlement fund, estimated to be approximately \$_____, will be used to pay the settlement administration costs of a third party (the "Settlement Administrator") and will be used to pay the Settlement Class pro rata based on the total number of Class Members who do not opt-out of the settlement. The Settlement Administrator estimates that settlement administration costs will be approximately \$116,647.

Based upon information provided by Defendant, which included the number of PACE assessments in the Settlement Class as well as to total principal amount of PACE assessments in the Settlement Class, and if the Court approves the requested attorneys' fees, expenses and awards, Plaintiffs estimate that, pursuant to the allocation formula described in the Settlement Agreement, the average Class Member will receive a check for approximately \$20; however, that amount could be more or less depending on a variety of factors including the size of the Class Member's financing contract. Plaintiffs estimate that the lowest net recovery will be approximately \$4.35 and the largest net recovery will be approximately \$242.61.

WHO IS IN THE CLASS

7. How do I know if I am part of this Class?

This Notice is being issued only to consumers that Renovate has identified as Class Members. The preliminarily approved Settlement Class is described in Section 3 above.

YOUR RIGHTS AND OPTIONS

8. What happens if I do nothing at all?

You don't have to do anything now if you want to keep the possibility of getting money or benefits from this proposed settlement. If this settlement is approved by the Court, you will automatically receive a check in the mail. You will be releasing any claims you may have related to the allegations in this lawsuit. You will not be able to participate in any lawsuit against Renovate for the same legal claims that are the subject of this lawsuit. You will also be legally bound by all of the orders the Court issues and judgments the Court makes in this class action. The Settlement Agreement specifically provides:

Upon Final Approval, and in consideration of the promises and covenants set forth in this Agreement, the Representative Plaintiffs and each Class Member who is not a Successful Opt-Out, and all those who claim through them or who assert claims (or could assert claims) on their behalf (including the government in the capacity as *parens patriae* or on behalf of creditors or estates of the releasees), and each of them (collectively and individually, the "Releasing Persons"), will be deemed to have completely released and forever discharged Renovate America, Inc., and each of its past, present, and future officers, directors, employees, and agents (collectively and individually, the "Released Persons"), from any claims asserted in the Second Amended Class Action Complaints and any other claims that could have been brought based on the facts alleged in the Second Amended Class Action Complaints. This Release does not release or discharge any causes of action brought against any of the Released Parties in the unrelated matter *Barbara Morgan, et al. v. Renew Financial Group, LLC, et al.*, San Diego County Superior Court Case No. 37-2019-00052045-CU-OR-CTL, which alleges certain causes of action relating to California Civil Code sections 1804.1(j) and 1804.2 of

the California Retail Installments Sales Act. This Release does not release or discharge any causes of action brought against any of the Released Parties in the unrelated matter *Reginald Nemore, et al. v. Renovate America, et al.*, Los Angeles County Superior Court Case No. BC701810. This Release shall be included as part of any judgment, so that all released claims and rights shall be barred by principles of *res judicata*, collateral estoppel, and claim and issue preclusion.

9. Why would I ask to be excluded?

If you already have your own lawsuit against Renovate for the kind of violations alleged by the Plaintiffs and want to continue with it, or if you want to preserve your right to file such a lawsuit, you need to ask to be excluded from the Class. If you exclude yourself from the Class—which also means to remove yourself from the Class, which is sometimes called “opting out” of the Class—you won't get any money or benefits from this lawsuit or settlement. If you exclude yourself, you will not be legally bound by the Court's judgments in this class action.

If you start your own lawsuit against Renovate after you exclude yourself, you'll have to hire and pay your own lawyer for that lawsuit, and you'll have to prove your claims. Renovate can defend itself, and you may lose and recover nothing.

10. How do I ask the Court to exclude me from the Class?

To ask to be excluded, you must send an “Exclusion Request.” If you choose to, you can use the enclosed exclusion form. Be sure to include your name, address, telephone number and date, sign the form and clearly state, “I want to be excluded” or something similar. You must mail your Exclusion Request postmarked by _____ 2020, to:

[Settlement Administrator Address Placeholder]

11. How do I object to the Settlement?

If you wish to object to the settlement or any matters as described in this Notice, you may do so and, if you choose to, you can use the enclosed objection form. Be sure to include your name and identify each objection, the basis for the objection and sign the form. You should include any papers that support the objection. You must mail your objection postmarked by _____ 2020, to:

[Settlement Administrator Address Placeholder]

DO NOT CALL THE COURT. DO NOT CALL OR SEND CORRESPONDENCE TO THE JUDGE OR HER CLERKS.

If you wish to appear at the Final Approval Hearing, whether by yourself or through counsel, you are requested, but not required, to file a notice of appearance in the Action no later than _____, 2020, and to serve the notice and other pleadings upon Class Counsel and Counsel for the Defendant.

If the settlement is approved by the Court, despite your objection, you will still receive a payment mailed to you.

THE LAWYERS REPRESENTING YOU

12. Do I have a lawyer in this case?

Yes. The Court has approved as “Class Counsel” (the attorneys representing you and other members of the Class):

Mark C. Rifkin, Randall S. Newman, Wolf Haldenstein Adler Freeman & Herz LLP, 270 Madison Avenue, New York, NY 10016, (212) 545-4600

Betsy C. Manifold, Rachele R. Byrd, Wolf Haldenstein Adler Freeman & Herz LLP, 750 B Street, Suite 1820, San Diego, CA 92101, (619) 239-4599

Janine L. Pollack, The Sultz Law Group P.C., 270 Madison Avenue, Suite 1800, New York, NY 10016, (212) 969-7810

Lee Shalov, McLaughlin & Stern LLP, 260 Madison Avenue, 10th Floor, New York, NY, 10016, (646) 278-4298

C. Mario Jaramillo, C. Mario Jaramillo, PLC (dba Access Lawyers Group), 527 South Lake Ave., Suite 200, Pasadena, CA 91101, (866) 643-9099

They are experienced in handling similar consumer cases against other companies.

13. Should I get my own lawyer?

You do not need to hire your own lawyer because Class Counsel is working on your behalf. But, if you want your own lawyer, you will have to pay that lawyer. For example, you can ask him or her to appear in Court for you if you want someone other than Class Counsel to speak for you.

14. How will the lawyers be paid?

If Class Counsel obtain money or benefits for the Class, they will ask the Court for fees and expenses. You won't have to pay these fees and expenses, they will be deducted from the Settlement Fund. The amount Class Counsel may seek for fees and costs is described in Section 6 above. You may review Class Counsel's petition for fees and costs which will be filed with the Clerk of the Court within 45 days of the mailing of this notice.

THE COURT'S FINAL APPROVAL HEARING

15. When and where will the Court decide whether to approve the settlement?

The Court will hold a Final Approval Hearing to consider whether to finally approve the Settlement. It will be held on _____, 2020 at _____ a.m./p.m., Department 6, Superior Court for the County of Riverside, 4050 Main Street, Riverside, California 92501.

At the Final Approval Hearing, the Court will consider whether the settlement, including Class Counsel's request for attorneys' fees and costs, is fair, reasonable, and adequate and should be granted Final Approval. If there are objections, the Court will consider them. The Final Approval Hearing may be moved to a different date, extended, or moved to a different Courtroom without additional notice.

16. Do I have to come to the hearing?

No. Class Counsel will answer any questions the Court may have. However, you are welcome to attend the hearing at your own expense. If you send in a written objection, you do not have to come to the Final Approval Hearing to talk about it. As long as you mailed your written objection on time, the Court will consider it. See Section 13 above for details on what to do if you or your attorney wish to attend the hearing.

GETTING MORE INFORMATION

17. Are more details available?

Yes. You may contact Class Counsel or the Settlement Administrator for more details and documents, including the Settlement Agreement.

You may also access additional details and all papers regarding the settlement online at the settlement website at www._____.com; or via the electronic document filing system maintained by the Clerk of the Court for the Superior Court for the County of Riverside, at <https://www.riverside.courts.ca.gov/>. You may also get case documents from the Superior Court for the County of Riverside at 4050 Main Street, Riverside, California 92501. The Settlement Agreement was filed with the Court as an attachment to the Declaration of [Name], which was filed on [Date].

DATE: _____

EXHIBIT 3

EXCLUSION FORM

Pursuant to paragraph 3.05 of the Settlement Agreement in this Action, any Class Member who wishes to be excluded from the proposed Settlement must submit a written exclusion to the Class Administrator, [NAME], using the Exclusion Form below, so that it is postmarked no later than _____ [sixty (60) days after the Class Notice mailing deadline in paragraph 3.03 of the Settlement Agreement].

REQUEST TO BE EXCLUDED FROM CLASS ACTION SETTLEMENT

Renovate America Finance Cases

Riverside County Superior Court, case number RICJCCP4940

To be excluded from the class action settlement, you must complete and mail this form to the class administrator at the address below, postmarked no later than _____ [sixty (60) days after the Class Notice mailing deadline in paragraph 3.03 of the Settlement Agreement]:

Class Member's name: _____

Class Member's Address: _____

Class Member's Telephone: _____

IF YOU SEND IN THIS FORM, YOU WILL NOT RECEIVE A SETTLEMENT PAYMENT. RATHER, IF YOU USE THIS FORM, YOU WILL BE EXCLUDED FROM THE SETTLEMENT, AND WILL NOT BE BOUND BY ITS TERMS AND CONDITIONS.

I received notice of a settlement and I request to be excluded from the class action settlement in the above-entitled case,

Dated: _____

(SIGN HERE)

Mail this form to: [CLAIMS ADMINISTRATOR]

OBJECTION FORM

Pursuant to paragraph 3.08 of the Settlement Agreement in this Action, any Class Member who wishes to object to the proposed Settlement must submit the written objection ("Objection") to the Class Administrator, [NAME], using the Objection Form below, so that it is postmarked no later than _____ [sixty (60) days after the Class Notice mailing deadline in paragraph 3.03 of the Settlement Agreement]. If the settlement is approved by the Court, despite your objection, you will still receive a payment mailed to you.

OBJECTION TO CLASS ACTION SETTLEMENT

Renovate America Finance Cases

Riverside County Superior Court, case number RICJCCP4940

NOTE: DO NOT FILL OUT OR SEND IN THIS FORM UNLESS YOU OBJECT TO THE TERMS AND/OR CONDITIONS OF THE PROPOSED SETTLEMENT.

Class Member's name: _____

Class Member's Address: _____

Class Member's Telephone: _____

I received notice of a settlement and I object to the class action settlement in the above-entitled case. The reasons for my objection are as follows (attach additional sheets if more space is required).

Please provide copies of any documents that you wish to submit in support of your position.

Dated: _____

(SIGN HERE)

Mail this form to: [CLAIMS ADMINISTRATOR]