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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF RIVERSIDE - RIVERSIDE COURT

IN RE: RENOVATE AMERICA FINANCE CASES	Case No. RICJCCP4940 **[PROPOSED] AMENDED FINAL ORDER AND JUDGMENT APPROVING SETTLEMENT**
THIS DOCUMENT RELATES TO: ALL ACTIONS	Dept.: 06 Judge: Hon. Sunshine Sykes Complaint Filed: November 1, 2016 2nd Am. Consol. Compl. Filed: May 1, 2018

This matter having come before the Court on July 8, 2020 upon the Motion of plaintiffs George Loya, Judith Loya, Richard Ramos, Michael Richardson and Shirley Petetan (collectively, "Representative Plaintiffs"), individually and on behalf of a class of persons, for Final Approval of a settlement reached between the Parties, and upon review and consideration of the First Amended Settlement Agreement dated February 5, 2020 (the "Settlement Agreement"), the exhibits to the Settlement Agreement, the evidence and arguments of counsel presented at the Final Approval Hearing, and the submissions filed with this Court in connection with the Final Approval Hearing, IT IS HEREBY ORDERED and adjudged as follows:

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

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

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

> (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.

4. The Court specifically finds that:

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

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

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

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

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

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

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

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

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7. This Court convened the Final Approval Hearing at 8:30 on July 8, 2020, in Department 6 of the Superior Court of California for the County of Riverside, located at 4050 Main Street, Riverside, California 92501. The parties appeared through their counsel. Counsel presented argument at that time.

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

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

10. Upon consideration of Class Counsel's application for attorneys' fees and litigation costs, the aggregate amount of the Attorney Fee/Litigation Cost Award is hereby fixed at $_____, which consists of $_____ in attorneys' fees and $_____ in costs. This aggregate award resolves, without limitation, all claims for attorneys' fees and litigation costs incurred by (a) Class Counsel, (b) any other counsel representing (or purporting to represent) the Representative Plaintiffs or Class Members (or any of them), and (c) Representative Plaintiffs or the Class Members (or any of them), in connection with or related to any matter in the Action, the Settlement, the administration of the Settlement, and any of the matters or claims within the scope of the Release, as embodied in paragraphs 5.01 and 5.02 of the Settlement Agreement.

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

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

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

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

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

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

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

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

14. Representative Plaintiffs and each Class Member, other than those who requested timely exclusion from the Settlement as identified in **Exhibit A** hereto, shall be forever bound by this Final Approval Order and the Settlement Agreement including the Release set forth in paragraphs 5.01 and 5.02 of the Settlement Agreement, which provides as follows:

> 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 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 Releasing Persons 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, 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.

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

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

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

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

19. In the event that Final Approval is not achieved for any reason, then the Settlement Agreement, this Final Approval Order, the certification of the Settlement Class and all other terms herein, together with any other orders or rulings arising from or relating to the Settlement Agreement, shall be void and their effect vacated.

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

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

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

SO ORDERED.

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

EXHIBIT A

In re: Renovate America Finance Cases
Exclusions
June 15, 2020

Count: 40

Last Name	First Name
Andrade	Maria
Andrews	Richard
Andrews	Anne Marie
Arechiga	Luis
Bermudez	Asdrubal
Burke	Edmund
Buzzello	Mary
Calderon	Jose
Calderon	Maria
Castillo	Maria
Clure	Ralph
Coleman	Darrell
Coleman	Pamela
Crockett	James
Dasalla III	Samuel
Dreher	Brian
Dreher	Trisha
Foster	Alma
Garcia	Humberto
Gray	Eula
Hall II	Willard
Johnson	Cheryl
Layva	Patricia
Logo	Alan
Lopez	Jose
Malafa	R. Arlene
McLaughlin	Robert
Miller	Larry
Minnick	Michael
Minnick	Jacquilynne
Montes	Isidro
Owens	Katharine
Panteleon	Orlando
Paul	Maria
Perez-Camacho	Angie
Perle	Lawrence
Ruvalcaba	Socorro
Leal	Delia & Thomas
Uribe	Johanna
Uribe	Juan Manuel
Woods	Teresa
Woods	Terry