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12 SUPERIOR COURT OF THE STATE OF CALIFORNIA

13 COUNTY OF SAN MATEO

14 In re SUNRUN INC. SHAREHOLDER
15 LITIGATION

16 This Document Relates To:

17 ALL ACTIONS.
18

ENDORSED FILED
SAN MATEO COUNTY

AUG 23 2018

Clerk of the Superior Court
By: CRYSTAL SWORDS
Deputy Clerk

) Lead Case No. CIV538215

) CLASS ACTION

) Assigned to: Hon. Marie S. Weiner

) STIPULATION OF SETTLEMENT

) DEPT: 2

) DATE ACTION FILED: 4/13/16

1 This Stipulation of Settlement (the “Stipulation”) in the action captioned *In re Sunrun Inc.*
2 *Shareholder Litigation*, Lead Case No. CIV538215 (the “Action”), pending before the Superior Court
3 of California, County of San Mateo (the “Court”), is entered into by and between Plaintiffs Jeffrey L.
4 Pytel and Jackie L. Nunez (“Plaintiffs”), on behalf of themselves and the Class and Subclass (as defined
5 below), and Defendants Sunrun Inc. (“Sunrun” or the “Company”), Lynn Jurich, Bob Komin, Edward
6 Fenster, Jameson McJunkin, Gerald Risk, Steve Vassallo and Richard Wong (the “Individual
7 Defendants,” and collectively with Sunrun, the “Sunrun Defendants”), the underwriters of the
8 Company’s August 5, 2015, initial public offering (“IPO”), specifically Credit Suisse Securities (USA)
9 LLC, Goldman Sachs & Co. LLC (f/k/a Goldman, Sachs & Co.), Morgan Stanley & Co. LLC, Merrill
10 Lynch, Pierce Fenner & Smith Incorporated, RBC Capital Markets, LLC, KeyBanc Capital Markets
11 Inc. and SunTrust Robinson Humphrey, Inc. (the “Underwriter Defendants”), and Foundation Capital
12 VI, L.P. and Foundation Capital Management Co. VI, LLC (along with Vassallo, the “Venture Capital
13 Defendants”) (all, collectively, “Defendants”), by and through their respective counsel. The Stipulation
14 is intended by Plaintiffs and Defendants (collectively, the “Parties”) to fully, finally, and forever
15 resolve, discharge, release and settle the Settled Claims, as defined below, upon and subject to the terms
16 and conditions hereof, and is submitted pursuant to California Code of Civil Procedure §382 and
17 California Rule of Court 3.769 for approval of this Court.

18 **I. SUMMARY OF CLAIMS AND PROCEDURAL HISTORY**

19 The initial complaint was filed in this Court on April 13, 2016. Several other complaints were
20 filed thereafter. Defendants removed the action to federal court, and upon motion by Plaintiffs, the
21 litigation was remanded to this Court.

22 On October 17, 2016, Plaintiffs filed their Consolidated Complaint for Violations of the Federal
23 Securities Laws. On November 14, 2016, Defendants filed a demurrer to that complaint. Plaintiffs
24 opposed the demurrer on December 7, 2016. On January 13, 2017, the Court held a hearing on the
25 demurrer and thereafter issued an order overruling the Sunrun Defendants’ and Underwriter
26 Defendants’ demurrers, and granted Plaintiffs leave to amend their claims against the Venture Capital
27 Defendants.

1 On April 4, 2017, Plaintiffs filed the Amended Consolidated Complaint for Violations of the
2 Federal Securities Laws (the “FAC”). The Venture Capital Defendants filed their demurrer to the FAC
3 on April 24, 2017. Plaintiffs filed their opposition on May 8, 2017, and following oral argument, the
4 Court overruled the Venture Capital Defendants’ demurrers, except with respect to William Elmore, the
5 co-founder of Foundation Capital.

6 Defendants made numerous motions to stay the Action in this Court, the California Court of
7 Appeals, and the United States District Court for the Northern District of California. Each of those
8 motions was opposed by Plaintiffs and denied. Defendants also twice moved for judgment on the
9 pleadings. Those motions were opposed by Plaintiffs and denied by the Court.

10 On July 19, 2017, Plaintiffs moved for class certification. Defendants served discovery on
11 Plaintiffs and took their depositions, and thereafter opposed the motion. Following oral argument, on
12 December 29, 2017, the Court issued an order certifying the Class. The Court also certified a Subclass
13 of Sunrun common stock purchasers who purchased directly in the IPO. On January 19, 2018, the
14 Court entered an Order for issuance of notice to the Class and Subclass of pendency of class action,
15 including, among other things, clarifying language regarding the Class and Subclass.

16 The Parties engaged in extensive fact discovery, ultimately resulting in the production of over
17 one million pages of documents by Defendants and third parties. The Parties also conducted a number
18 of depositions, and were scheduling the remaining depositions to take place if settlement had not been
19 reached.

20 In an effort to conserve judicial resources and attempt to settle the Action, the Sunrun
21 Defendants and Plaintiffs engaged the services of the Hon. Daniel Weinstein (Ret.), a nationally
22 recognized mediator. There was an exchange of detailed mediation statements and a full-day in-person
23 mediation with Judge Weinstein on May 4, 2018. Although the mediation was carried out in good faith,
24 no agreement was reached and litigation continued. The negotiations continued through Judge
25 Weinstein, and on July 8, 2018, Judge Weinstein’s Mediator’s Proposal to settle the Action on the terms
26 set forth herein was accepted, subject to the negotiation of a Stipulation of Settlement and approval by
27 the Court. This Stipulation (together with the exhibits hereto) reflects the final and binding agreement
28 between the Parties.

1 **II. PLAINTIFFS' INVESTIGATION AND THE BENEFITS OF SETTLEMENT**

2 Lead Counsel represent that they have conducted an extensive investigation of the claims and
3 the underlying events and transactions alleged in this Action. Among other things, Lead Counsel have
4 interviewed numerous witnesses, analyzed public filings, records, documents, and other materials
5 concerning Defendants and third parties, reviewed over one million pages of documents provided by
6 Defendants and third parties, and taken multiple depositions and have researched the applicable law
7 with respect to the claims of Plaintiffs and the Class and Subclass against Defendants and the potential
8 defenses thereto.

9 Based on their investigation and review, Plaintiffs and Plaintiffs' Counsel have concluded that
10 the terms and conditions of this Stipulation are fair, reasonable and adequate to the Class and the
11 Subclass and in their best interests, and have agreed to settle the claims raised in the Action pursuant to
12 the terms and provisions of this Stipulation, after considering: (a) the substantial benefits that Plaintiffs
13 and the Class and Subclass will receive from settlement of the Action; (b) the risks, costs, and
14 uncertainties of ongoing litigation; (c) the desirability of permitting the Settlement to be consummated
15 as provided by the terms of this Stipulation; and (d) Plaintiffs' Counsel's experience in the prosecution
16 of similar actions.

17 The Parties to this Stipulation and their counsel agree not to contend in any forum that the
18 Action was brought or defended in bad faith, without a reasonable basis, or in violation of California
19 Code of Civil Procedure §128.7 or any other similar law or statute. The Action is being voluntarily
20 settled after advice of counsel and after Plaintiffs' Counsel have determined and believe that the terms
21 of the Settlement are fair, adequate and reasonable to the Class and the Subclass.

22 **III. DEFENDANTS' DENIALS OF WRONGDOING AND LIABILITY**

23 Defendants have denied and continue to deny that they have committed any act or omission
24 giving rise to any liability and/or violation of law. Neither the Settlement (as defined below) nor any of
25 its terms shall constitute an admission or finding of wrongful conduct, acts or omissions. Defendants
26 do not admit any liability or wrongdoing in connection with the allegations set forth in the Action, or
27 any facts related thereto.

28

1 Defendants are entering into this Settlement to eliminate the burden and expense of further
2 litigation. Defendants also have taken into account the uncertainty and risks inherent in any litigation,
3 especially in complex cases like the Action. Defendants have, therefore, determined that it is desirable
4 and beneficial to them that the Action be settled in the manner and upon the terms and conditions set
5 forth in this Stipulation.

6 This Stipulation shall in no event be construed or deemed to be evidence of, or an admission or
7 concession on the part of any Defendant with respect to, any claim or of any fault or liability or
8 wrongdoing or damage whatsoever, or any infirmity in the defenses that Defendants have asserted.

9 **IV. TERMS OF THE STIPULATION AND AGREEMENT OF SETTLEMENT**

10 NOW THEREFORE, without any admission or concession on the part of Plaintiffs of any lack
11 of merit of the Action whatsoever, and without any admission or concession of any liability or
12 wrongdoing or lack of merit in the defenses whatsoever by Defendants, it is hereby STIPULATED
13 AND AGREED, by and among the Parties to this Stipulation, through their undersigned attorneys,
14 subject to approval of the Court, in consideration of the benefits flowing to the Parties hereto from the
15 Settlement, that all Settled Claims (as defined below) as against the Released Parties (as defined below)
16 and all of Settled Defendants' Claims (as defined below) shall be compromised, settled, released, and
17 discharged, upon and subject to the following terms and conditions:

18 **1. Certain Definitions**

19 As used in this Stipulation, the following terms shall have the following meanings:

20 1.1 "Action" means *In re Sunrun Inc. Shareholder Litigation*, Lead Case No. CIV538215,
21 pending in the Superior Court of California, County of San Mateo.

22 1.2 "Authorized Claimant" means a Class Member who submits a timely and valid Proof of
23 Claim form to the Claims Administrator.

24 1.3 "Claims Administrator" means Garden City Group, LLC or such other entity as the
25 Court shall appoint to administer the Settlement.

26 1.4 "Class" and "Class Members" mean all Persons who purchased or otherwise acquired
27 Sunrun common stock before February 1, 2016 pursuant or traceable to the Company's Registration
28 Statement and Prospectus issued in connection with Sunrun's August 5, 2015 initial public offering.

1 Excluded from the Class are Defendants and members of their immediate families, the officers and
2 directors of Sunrun and members of their immediate families, and their legal representatives, heirs,
3 successors or assigns, and any entity in which Defendants have a controlling interest. For purposes of
4 clarification, any investment company or pooled investment fund, including, but not limited to, mutual
5 fund families, exchange-traded funds, fund of funds and hedge funds, in which any Underwriter
6 Defendant has or may have a direct or indirect interest, or as to which its affiliates may act as an
7 investment advisor but of which any Underwriter Defendant or any of its respective affiliates is not a
8 majority owner or does not hold a majority beneficial interest shall not be deemed an excluded person
9 or entity.

10 1.5 “Class Period” means the period between August 5, 2015 and February 1, 2016
11 (inclusive).

12 1.6 “Company” shall mean Sunrun Inc. and its predecessors, successors, parents,
13 subsidiaries, divisions or affiliates.

14 1.7 “Court” means the California Superior Court for the County of San Mateo.

15 1.8 “Defendants” means Sunrun, Lynn Jurich, Bob Komin, Edward Fenster, Jameson
16 McJunkin, Gerald Risk, Steve Vassallo, Richard Wong, Credit Suisse Securities (USA) LLC, Goldman
17 Sachs & Co. LLC (f/k/a Goldman, Sachs & Co.), Morgan Stanley & Co. LLC, Merrill Lynch, Pierce
18 Fenner & Smith Incorporated, RBC Capital Markets, LLC, KeyBanc Capital Markets Inc., SunTrust
19 Robinson Humphrey, Inc., Foundation Capital VI, L.P. and Foundation Capital Management Co. VI,
20 LLC.

21 1.9 “Defendants’ Counsel” means the law firms of Fenwick & West LLP and Shearman &
22 Sterling LLP.

23 1.10 “Effective Date of Settlement” or “Effective Date” means the date upon which the
24 Settlement contemplated by this Stipulation shall become effective, as set forth in ¶10.1 below.

25 1.11 “Escrow Account” means an interest-bearing escrow account established by the Escrow
26 Agent to receive the Settlement Amount.

27 1.12 “Escrow Agent” means Robbins Geller Rudman & Dowd LLP and Cotchett, Pitre &
28 McCarthy, LLP, or their respective successor(s).

1 1.13 “Fee and Expense Award” means the amount of attorneys’ fees and expenses awarded
2 by the Court as described in ¶5.1.

3 1.14 “Final” with respect to the Final Judgment or Alternative Judgment means: (i) if no
4 appeal is filed, the expiration date of the time provided for filing or petitioning for any appeal, or (ii) if
5 there is an appeal from the Judgment, the date of (a) final dismissal of all such appeals, or the final
6 dismissal of any proceeding on certiorari or otherwise to review the Judgment, or (b) the date the
7 Judgment is finally affirmed on appeal, the expiration of the time to file a petition for writ of certiorari
8 or other form of review, or the denial of a writ of certiorari or other form of review of the Judgment,
9 and, if certiorari or other form of review is granted, the date of final affirmance of the Judgment
10 following review pursuant to that grant. However, any appeal of proceeding seeking subsequent
11 judicial review pertaining solely to an order issued with respect to (i) attorneys’ fees, costs or expenses,
12 or (ii) the plan of allocation (as submitted or subsequently modified) shall not in any way delay or
13 preclude the Judgment from becoming Final.

14 1.15 “Final Judgment” means the proposed judgment to be entered approving the Settlement,
15 substantially in the form attached hereto as Exhibit B.

16 1.16 “Lead Counsel” means the law firms of Robbins Geller Rudman & Dowd LLP and
17 Cotchett, Pitre & McCarthy, LLP.

18 1.17 “Net Settlement Fund” means the Settlement Fund less: (i) Court awarded attorneys’
19 fees; (ii) notice and administration expenses; (iii) any required Taxes; (iv) Court awarded litigation
20 expenses; and (v) any other fees or expenses approved by the Court.

21 1.18 “Notice” means the Notice of Proposed Settlement of Class Action, which is to be sent to
22 members of the Class, substantially in the form attached hereto as Exhibit A-1 to Exhibit A.

23 1.19 “Notice Order” means the proposed order preliminarily approving the Settlement and
24 directing notice thereof to the Class and to the Subclass, substantially in the form attached hereto as
25 Exhibit A.

26 1.20 “Person” means an individual, corporation, partnership, limited partnership, limited
27 liability partnership, association, joint stock company, limited liability company or corporation,
28 professional corporation, estate, legal representative, trust, unincorporated association, government or

any political subdivision or agency thereof, and any business or legal entity and his, her or its spouses, heirs, predecessors, successors, representatives, or assignees.

1.21 “Plaintiffs” means Jeffrey L. Pytel and Jackie L. Nunez.

1.22 “Plaintiffs’ Counsel” means any firm that has appeared on behalf of the Class or Subclass in the Action.

1.23 “Plan of Allocation” means the plan described in the Notice or any alternate plan approved by the Court whereby the Net Settlement Fund (as defined above in ¶1.17) shall be distributed to Authorized Claimants. Any Plan of Allocation is not part of the Stipulation, and the Released Parties shall have no responsibility therefore or liability with respect thereto.

1.24 “Proof of Claim” means the Proof of Claim and Release, substantially in the form attached hereto as Exhibit A-2 to Exhibit A.

1.25 “Registration Statement” means, collectively, the registration statement and prospectus, as amended, filed with the U.S. Securities and Exchange Commission in connection with the IPO.

1.26 “Related Parties” means each of a Defendant’s past, present or future direct or indirect parents, subsidiaries, divisions, affiliates or joint ventures, as well as each of their respective present or former directors, officers, employees, partners, members, principals, agents, underwriters, insurers, co-insurers, reinsurers, controlling shareholders, attorneys, accountants, auditors, financial or investment advisors or consultants, banks or investment bankers, personal or legal representatives, predecessors, successors, assigns, spouses, heirs, related or affiliated entities, any entity in which a Defendant has a controlling interest, any member of an Individual Defendant’s immediate family, any trust of which any Individual Defendant is the settlor or which is for the benefit of any Defendant and/or member(s) of his family, and the legal representatives, heirs, successors in interest or assigns of the Defendants.

1.27 “Released Parties” means Defendants and each and all of their Related Parties.

1.28 “Settled Claims” means all claims, including “Unknown Claims” as defined below, that both (a) arise out of, are based upon, or relate to in any way any of the allegations, acts, transactions, facts, events, matters, occurrences, statements, representations, misrepresentations or omissions involved, set forth, alleged or referred to in this Action, or which could have been alleged in this Action, and (b) arise out of, are based upon, or relate to in any way the purchase, acquisition, or holding of

1 Sunrun common stock purchased or acquired during the Class Period pursuant to or traceable to the
2 Registration Statement and Prospectus issued in connection with Sunrun's IPO. "Settled Claims" also
3 includes any and all claims arising out of, relating to, or in connection with the Settlement or resolution
4 of the Action against the Released Parties (including Unknown Claims), except claims to enforce any of
5 the terms of this Stipulation.

6 1.29 "Settled Defendants' Claims" means all claims, including "Unknown Claims" as defined
7 below, that any Released Party may have against Plaintiffs, Class Members, or Plaintiffs' Counsel
8 relating to the institution, prosecution or settlement of the Action or the Settled Claims (except for
9 claims to enforce any of the terms of this Stipulation).

10 1.30 "Settlement" means the settlement on the terms set forth in this Stipulation.

11 1.31 "Settlement Amount" means the sum of \$32,000,000 to be paid into an Escrow Account
12 pursuant to ¶3.

13 1.32 "Settlement Fairness Hearing" means the hearing scheduled by the Court to determine
14 whether (i) the Settlement is fair, reasonable and adequate, (ii) the Plan of Allocation is fair, reasonable
15 and adequate, and (iii) Lead Counsel's request for an award of attorneys' fees and expenses, including
16 awards to Plaintiffs, is reasonable.

17 1.33 "Settlement Fund" means the Settlement Amount that is paid into the Escrow Account
18 plus any interest or income earned thereon.

19 1.34 "Subclass" and "Subclass Members" means all persons and entities who purchased
20 common stock of Sunrun directly in the August 5, 2015 initial public offering. Excluded from the
21 Subclass are Defendants and members of their immediate families, the officers and directors of Sunrun
22 and members of their immediate families, and their legal representatives, heirs, successors or assigns,
23 and any entity in which Defendants have a controlling interest. For purposes of clarification, any
24 investment company or pooled investment fund, including, but not limited to, mutual fund families,
25 exchange-traded funds, fund of funds and hedge funds, in which any Underwriter Defendant has or may
26 have a direct or indirect interest, or as to which its affiliates may act as an investment advisor but of
27 which any Underwriter Defendant or any of its respective affiliates is not a majority owner or does not
28 hold a majority beneficial interest shall not be deemed an excluded person or entity.

1 1.35 “Summary Notice” means the summary notice of proposed Settlement and hearing for
2 publication, substantially in the form attached hereto as Exhibit A-3 to Exhibit A.

3 1.36 “Unknown Claims” means any and all claims and potential claims against Defendants
4 which Plaintiffs or any Class Member or Subclass Member does not know or suspect to exist in his, her,
5 or its favor as of the Effective Date, and any claims against Plaintiffs which Defendants do not know or
6 suspect to exist in their favor, which if known by him, her, or it might have affected his, her, or its
7 decision(s) with respect to the Settlement. With respect to any and all Settled Claims and Settled
8 Defendants’ Claims, the Parties stipulate and agree that by operation of the Final Judgment, upon the
9 Effective Date, the Plaintiffs and Defendants shall have expressly waived, and each Class Member shall
10 be deemed to have waived, and by operation of the Final Judgment shall have expressly waived, the
11 provisions, rights and benefits of Cal. Civ. Code §1542, which provides:

12 **A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE**
13 **CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER**
14 **FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN**
 BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER
 SETTLEMENT WITH THE DEBTOR;

15 and any and all provisions, rights, and benefits conferred by any law of any state or territory of the
16 United States, or principle of common law, which is similar, comparable, or equivalent to Cal. Civ.
17 Code §1542. Plaintiffs, Class Members and Subclass Members may hereafter discover facts in addition
18 to or different from those which he, she, or it now knows or believes to be true with respect to the
19 subject matter of the Settled Claims, but Plaintiffs shall expressly fully, finally, and forever settle and
20 release, and each Class Member and Subclass Member, upon the Effective Date, shall be deemed to
21 have, and by operation of the Final Judgment shall have, fully, finally, and forever settled and released,
22 any and all Settled Claims, known or unknown, suspected or unsuspected, contingent or non-contingent,
23 whether or not concealed or hidden, which now exist, or heretofore have existed, upon any theory of
24 law or equity now existing or coming into existence in the future, including, but not limited to, conduct
25 which is negligent, intentional, with or without malice, or a breach of any duty, law or rule, without
26 regard to the subsequent discovery or existence of such different or additional facts. Plaintiffs and
27 Defendants acknowledge, and Class Members and Subclass Members shall be deemed to have
28

acknowledged, that the inclusion of “Unknown Claims” in the definition of Settled Claims and Settled Defendants’ Claims was separately bargained for and was a key element of the Settlement.

2. Scope and Effect of Settlement

2.1 The obligations incurred pursuant to this Stipulation shall be in full and final disposition of: (i) this Action against Defendants; (ii) any and all Settled Claims as against all Released Parties; and (iii) any and all Settled Defendants’ Claims.

2.2 (a) Upon the Effective Date of this Settlement, Plaintiffs and all Class Members and Subclass Members, on behalf of themselves, shall be deemed to have, and by operation of the Final Judgment shall have, fully, finally, and forever waived, released, and discharged all Settled Claims against the Released Parties, regardless of whether such Class Member or Subclass Member executes and delivers a Proof of Claim.

(b) Upon the Effective Date of this Settlement, each and every Class Member and Subclass Member and any Person claiming through or on behalf of them will be permanently and forever barred and enjoined from commencing, instituting, prosecuting or continuing to prosecute any action or other proceeding in any court of law or equity, arbitration tribunal, administrative forum, or any other forum, asserting the Settled Claims against the Released Parties, whether or not such Class Member or Subclass Member executes and delivers the Proof of Claim.

(c) Upon the Effective Date of this Settlement, each of the Defendants and the Released Parties shall be deemed to have, and by operation of the Final Judgment shall have, fully, finally, and forever released and discharged Plaintiffs, Plaintiffs’ Counsel and each and all of the Class Members and Subclass Members from each and every one of the Settled Defendants’ Claims.

(d) Notwithstanding the provisions of ¶¶2.2(a) through (c) hereof, in the event that any of the Released Parties asserts against Plaintiffs, any Class Member or Subclass Member, or their respective counsel, any claim that is a Settled Defendants’ Claim, then such Plaintiffs, Class Member or Subclass Member, or counsel shall be entitled to use and assert such factual matters included within the Settled Claims only against such Released Party in defense of such claim, but not for the purposes of affirmatively asserting any claim against any Released Party.

1 (e) Notwithstanding the provisions of ¶¶2.2(a) through (c) hereof, in the event that
2 Plaintiffs or any member of the Class asserts against any of the Released Parties or their respective
3 counsel any claim that is a Settled Claim, then such Released Party or counsel shall be entitled to use
4 and assert such factual matters included within the Settled Defendants' Claims only against such
5 Plaintiffs or Class Member in defense of such claim, but not for the purposes of affirmatively asserting
6 any claim against Plaintiffs or any Class Member.

7 (f) The releases provided in this Stipulation shall become effective immediately
8 upon occurrence of the Effective Date without the need for any further action, notice, condition or
9 event.

10 **3. The Settlement Consideration**

11 3.1 The Company shall pay or cause to be paid to the Class, in settlement of the claims
12 against Defendants and in consideration of the releases contemplated herein, the sum of \$32,000,000
13 within thirty (30) calendar days from the later of: (a) the date of entry of a preliminary approval order of
14 the Settlement; or (b) the date on which the Company has been provided with the necessary information
15 to write a check or issue the funds by wire transfer to the Settlement Fund to be sent to the Escrow
16 Agent for deposit into the Escrow Account. If the Settlement Amount is not timely paid, the unpaid
17 balance shall earn interest at the rate of 5% per annum until paid. The Parties agree that the Settlement
18 Fund is intended to be a Qualified Settlement Fund within the meaning of Treasury Regulation
19 §1.468B-1. The account funds, less any amounts incurred for notice, administration, and/or taxes, plus
20 any accrued interest thereon, shall revert to the person(s) making the deposits if the Settlement does not
21 become effective for any reason, including by reason of a termination of the Settlement pursuant to
22 ¶10.4 herein. The Settlement Fund includes any interest earned thereon. No other Defendant other than
23 the Company shall be required to pay or cause payment of, the Settlement Amount or any portion
24 thereof.

25 3.2 Plaintiffs and Class Members shall look solely to the Settlement Fund as satisfaction of
26 all claims that are released hereunder. Defendants shall have no obligation under this Stipulation or the
27 Settlement to pay any additional amounts, and upon payment funding, Defendants shall have no other
28 obligation to pay or reimburse any fees, expenses, costs, liability or damages whatsoever alleged or

1 incurred by Plaintiffs, by any Class Member, or by any of their attorneys, experts, advisors, agents, or
2 representatives with respect to the Action and Settled Claims. Any award made by the Court pursuant
3 to the Fee and Expense Application referred to in ¶5.1 hereof shall be paid exclusively from the
4 Settlement Fund; any agreement between or among Plaintiffs' Counsel to divide fees, expenses, costs or
5 interest shall be between or among such Plaintiffs' Counsel only; and Defendants shall have no
6 obligation with respect to any allocation between or among Plaintiffs' Counsel, or with respect to any
7 payment to any Plaintiffs' Counsel, of any fees, expenses, costs or interest. Plaintiffs and Class
8 Members acknowledge that as of the Effective Date, the releases given herein shall become effective
9 immediately by operation of the Final Judgment and shall be permanent, absolute and unconditional.

10 3.3 (a) The Settlement Fund, net of any Taxes (as defined below), shall be used to pay:
11 (i) the notice and administration costs of the Settlement referred to in ¶4.2 hereof; (ii) any award made
12 by the Court pursuant to the Fee and Expense Application referred to in ¶5.1 hereof; and (iii) the
13 remaining administration expenses referred to in ¶4.2 hereof and any other attorney and administrative
14 costs, fees, payments or awards subsequently approved by the Court. The balance of the Settlement
15 Fund after the above payments shall be the Net Settlement Fund, which shall be distributed to the
16 Authorized Claimants as provided in ¶¶6.1-6.3 hereof. Any portions of the Settlement Fund required to
17 be held in escrow prior to the Effective Date shall be held by the Escrow Agent for the Settlement Fund.
18 The Settlement Fund held by the Escrow Agent shall be deemed to be in the custody of the Court and
19 shall remain subject to the jurisdiction of the Court until such time as the Net Settlement Fund shall be
20 distributed to Authorized Claimants, or returned to Defendants pursuant to this Stipulation and/or
21 further order of the Court. The Escrow Agent shall not disburse the Settlement Fund, or any portion
22 thereof, except as provided in this Stipulation, or upon Order of the Court. The Escrow Agent shall be
23 responsible for investing the Settlement Fund in eligible investments, meaning obligations issued or
24 guaranteed by the United States of America or any agency or instrumentality thereof, backed by the full
25 faith and credit of the United States, or fully insured by the United States Government or an Agency
26 thereof, and the Escrow Agent shall reinvest the proceeds of these obligations or instruments as they
27 mature in similar instruments at their then-current market rates. All risks related to the investment of
28

1 the Settlement Fund in accordance with the investment guidelines set forth in this paragraph shall be
2 borne by the Settlement Fund.

3 For the purpose of §1.468B of the Code and the Treasury regulations thereunder, the Escrow
4 Agent shall be designated as the “administrator” of the Settlement Fund. The Escrow Agent shall
5 timely and properly file all informational and other tax returns necessary or advisable with respect to the
6 Settlement Fund (including, without limitation, the returns described in Treas. Reg. §1.468B- 2(k)).
7 Such returns (as well as the election described below) shall be consistent with this paragraph and in all
8 events shall reflect that all Taxes (including any estimated Taxes, interest, or penalties) on the income
9 earned by the Settlement Fund shall be paid out of the Settlement Fund as provided herein.

10 (b) All: (i) taxes (including any estimated taxes, interest or penalties) arising with
11 respect to the income earned by the Settlement Fund, including any taxes or tax detriments that may be
12 imposed upon Defendants or their related parties with respect to any income earned by the Settlement
13 Fund for any period during which the Settlement Fund does not qualify as a “qualified settlement fund”
14 for federal or state income tax purposes; and (ii) all other tax expenses incurred in the operation of and
15 implementation of this paragraph, including, without limitation, expenses of tax attorneys and/or
16 accountants and mailing and distribution expenses related to filing or failing to file the returns described
17 in this paragraph (collectively, “Taxes”) shall promptly be paid out of the Settlement Fund by the
18 Escrow Agent without prior order from the Court. The Escrow Agent shall also be obligated to, and
19 shall be responsible for, withholding from distribution to Class Members any funds necessary to pay
20 such amounts, including the establishment of adequate reserves for any Taxes. The Parties agree to
21 cooperate with the Escrow Agent, each other, and their tax attorneys and accountants to the extent
22 reasonably necessary to carry out the provisions of this paragraph.

23 (c) Except to the extent Lead Counsel is acting in its capacity as Escrow Agent,
24 neither the Parties nor their counsel shall have any responsibility for or liability whatsoever with respect
25 to: (i) any act, omission or determination of the Escrow Agent or the Claims Administrator, or any of
26 their respective designees or agents, in connection with the administration of the Settlement Fund or
27 otherwise; (ii) the Plan of Allocation; (iii) the determination, administration, calculation, or payment of
28 any claims asserted against the Settlement Fund; or (iv) the payment or withholding of any taxes,

1 expenses, and/or costs incurred in connection with the taxation of the Settlement Fund or the filing of
2 any returns. The Escrow Agent, through the Settlement Fund, shall indemnify and hold each of the
3 Released Parties and their counsel harmless for taxes and tax expenses (including, without limitation,
4 taxes payable by reason of any such indemnification).

5 **4. Administration**

6 4.1 The Claims Administrator shall administer and calculate the claims that shall be allowed
7 and oversee distribution of the Settlement Fund subject to such supervision of Lead Counsel and/or the
8 Court as the circumstances may require. The Claims Administrator agrees to be subject to the
9 jurisdiction of the Court with respect to the administration of the Settlement and the distribution of the
10 Settlement Fund pursuant to the terms of this Stipulation. Defendants shall have no role in, or
11 responsibility for, the administration of the Settlement and shall have no liability to Plaintiffs, the Class,
12 or any other person in connection with, as a result of, or arising out of, such administration. The Claims
13 Administrator will not make any distributions to Class Members from the Net Settlement Fund until the
14 Final Judgment becomes Final and all the conditions described in ¶10.1 herein have been satisfied.

15 4.2 Lead Counsel may pay from the Settlement Fund, without further approval from
16 Defendants or the Court, the reasonable costs and expenses up to the sum of \$450,000 associated with
17 Notice to the Class and Subclass, and the administration of the Settlement, including, without
18 limitation, the actual costs of Notice, and the administrative expenses incurred and fees charged by the
19 Claims Administrator in connection with providing notice and processing the submitted claims. Prior to
20 the Effective Date, all costs and expenses incurred in connection with the administration of the
21 Settlement in excess of \$450,000 shall be paid from the Settlement Fund subject to approval from the
22 Court. After the Effective Date, all costs and expenses incurred and fees charged by the Claims
23 Administrator in connection with the administration of the Settlement shall be paid from the Settlement
24 Fund without further approval from Defendants or the Court. Within ten (10) calendar days of entry of
25 the Notice Order, the Company shall provide or cause to be provided to the Claims Administrator, at no
26 cost, its shareholder lists as appropriate for providing notice to the Class and Subclass.

1 **5. Fee and Expense Application**

2 5.1 Lead Counsel will submit an application or applications (the “Fee and Expense
3 Application”) to the Court for an award from the Settlement Fund of: (i) attorneys’ fees and the
4 payment of litigation expenses incurred in connection with the prosecution of the Action, plus interest
5 on both amounts at the same rate and period as earned on the Settlement Fund (until paid) as may be
6 awarded by the Court; and (ii) the reasonable costs and expenses (including lost wages) incurred by
7 Plaintiffs in conjunction with their representation of the Class. Attorneys’ fees, expenses, and interest
8 as are awarded by the Court shall be paid from the Settlement Fund to Lead Counsel immediately upon
9 entry by the Court of an order awarding such amounts, notwithstanding the existence of any timely filed
10 objections thereto, or potential for appeal therefrom, or collateral attack on the Settlement or any part
11 thereof. Lead Counsel may thereafter allocate such fees to Plaintiffs’ Counsel subject to each Plaintiffs’
12 Counsel’s (including their respective partners, shareholders and/or firms) several obligation to repay
13 those amounts to the Settlement Fund plus accrued interest at the same net rate as is earned by the
14 Settlement Fund, if and when, as a result of any appeal and/or further proceedings on remand, or
15 successful collateral attack, the fee or cost award is reduced or reversed or return of the Settlement Fund
16 is required consistent with the provisions of ¶10.4 hereof. In such event, Plaintiffs’ Counsel shall,
17 within ten (10) business days from the event which requires repayment of the fee or expense award,
18 refund to the Settlement Fund the fee and expense award paid to them, along with interest, as described
19 above. Furthermore, all Plaintiffs’ Counsel (including their respective partners, shareholders and/or
20 firms) agree that they remain subject to the continuing jurisdiction of the Court for the purpose of
21 enforcing their obligation to repay required attorneys’ fees and expenses to the Settlement Fund as
22 provided in this paragraph. Without limitation, Plaintiffs’ Counsel agree that the Court may, upon
23 application of Defendants and notice to Plaintiffs’ Counsel, summarily issue orders, including, but not
24 limited to, judgments and attachment orders, and may make appropriate findings of or sanctions for
25 contempt, should Plaintiffs’ Counsel fail timely to repay fees and expenses pursuant to this ¶5.1.

26 5.2 Notwithstanding any other provision of this Stipulation to the contrary, the Fee and
27 Expense Application to be paid out of the Settlement Fund shall be considered by the Court separate
28 and apart from its consideration of the fairness, reasonableness, and adequacy of the Settlement, and

1 any order or proceeding relating to the Fee and Expense Application, or any appeal of any order relating
2 thereto or reversal or modification thereof, shall not operate to, or be grounds to, terminate or cancel
3 this Stipulation or the Settlement of the Action, or affect or delay the finality of the Final Judgment
4 approving this Settlement.

5 **6. Distribution to Authorized Claimants**

6 6.1 The Claims Administrator shall determine each Authorized Claimant's *pro rata* share of
7 the Net Settlement Fund based upon each Authorized Claimant's Recognized Claim as defined in the
8 Plan of Allocation described in the Notice annexed hereto as Exhibit A-1 to Exhibit A, or in such other
9 Plan of Allocation as the Court approves.

10 6.2 The Plan of Allocation set forth in the Notice is not a necessary term of this Stipulation
11 and it is not a condition of this Stipulation that any particular Plan of Allocation be approved. The
12 Released Parties will take no position with respect to the proposed Plan of Allocation or such Plan of
13 Allocation as may be approved by the Court. The Plan of Allocation is a matter separate and apart from
14 the Settlement between the Parties and any decision by the Court concerning the Plan of Allocation
15 shall not affect the validity or finality of the proposed Settlement.

16 6.3 Each Authorized Claimant shall be allocated a *pro rata* share of the Net Settlement Fund
17 based on his or her Recognized Claim compared to the total Recognized Claims of all accepted
18 claimants. The Settlement is non-recapture, *i.e.*, it is not a claims-made settlement. Defendants shall
19 not be entitled to get back any of the settlement monies, or interest earned thereon, once the Final
20 Judgment becomes Final and all the conditions set forth in ¶10.1 herein have been satisfied. The
21 Released Parties shall have no involvement in reviewing, evaluating, or challenging claims and shall
22 have no responsibility or liability for determining the allocation of any payments to any Class Members
23 or for any other matters pertaining to the Plan of Allocation.

24 **7. Administration of the Settlement**

25 7.1 Within ninety (90) calendar days after such time as set by the Court to mail notice to the
26 Class, each Person claiming to be an Authorized Claimant shall be required to submit to the Claims
27 Administrator a completed Proof of Claim, substantially in a form contained in Exhibit A-2 attached
28

1 hereto and as approved by the Court, signed under penalty of perjury and supported by such documents
2 as are specified in the Proof of Claim and as are reasonably available to the Authorized Claimant.

3 7.2 Except as otherwise ordered by the Court, all Class Members who fail to timely submit a
4 Proof of Claim within such period, or such other period as may be ordered by the Court, shall be forever
5 barred from receiving any payments pursuant to the Stipulation and the Settlement set forth herein, but
6 will in all other respects be subject to and bound by the provisions of the Stipulation, the releases
7 contained herein, and the Final Judgment. Notwithstanding the foregoing, Lead Counsel have the
8 discretion (but not the obligation), to accept for processing late submitted claims so long as the
9 distribution of the Net Settlement Fund to Authorized Claimants is not materially delayed. No Person
10 shall have any claim against Plaintiffs, Lead Counsel or the Claims Administrator by reason of the
11 exercise or non-exercise of such discretion.

12 7.3 Each Proof of Claim shall be submitted to and reviewed by the Claims Administrator,
13 under the supervision of Lead Counsel, who shall determine, in accordance with this Stipulation and the
14 approved Plan of Allocation, the extent, if any, to which each claim shall be allowed, subject to review
15 by the Court pursuant to ¶7.5 below.

16 7.4 Proof of Claims that do not meet the submission requirements may be rejected. Prior to
17 rejecting a Proof of Claim in whole or in part, the Claims Administrator shall communicate with the
18 claimant in writing to give the claimant the chance to remedy any curable deficiencies in the Proof of
19 Claim submitted. The Claims Administrator, under the supervision of Lead Counsel, shall notify, in a
20 timely fashion and in writing, all claimants whose claims the Claims Administrator proposes to reject in
21 whole or in part for curable deficiencies, setting forth the reasons therefor, and shall indicate in such
22 notice that the claimant whose claim is to be rejected has the right to a review by the Court if the
23 claimant so desires and complies with the requirements of ¶7.5 below.

24 7.5 If any claimant whose timely claim has been rejected in whole or in part for curable
25 deficiency desires to contest such rejection, the claimant must, within twenty (20) calendar days after
26 the date of mailing of the notice required in ¶7.4 above, or a lesser period of time if the claim was
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1 untimely, serve upon the Claims Administrator a notice and statement of reasons indicating the
2 claimant's grounds for contesting the rejection along with any supporting documentation, and
3 requesting a review thereof by the Court. If a dispute concerning a claim cannot be otherwise resolved,
4 Lead Counsel shall thereafter present the claimant's request for review to the Court.

5
6 7.6 Each claimant who declines to be excluded from the Class shall be deemed to have
7 submitted to the jurisdiction of the Court with respect to the claimant's claim, including, but not limited
8 to, all releases provided for herein and in the Final Judgment, and the claim will be subject to
9 investigation and discovery under the California Code of Civil Procedure, provided that such
10 investigation and discovery shall be limited to the claimant's status as a Class Member and the validity
11 and amount of the claimant's claim. In connection with processing the Proofs of Claim, no discovery
12 shall be allowed on the merits of the Litigation or the Settlement.

13
14 7.7 No Person shall have any claim against the Released Persons, Defendants' counsel,
15 Plaintiffs, Plaintiffs' Counsel or the Claims Administrator, or any other Person designated by Lead
16 Counsel based on determinations or distributions made substantially in accordance with this Stipulation
17 and the Settlement contained herein, the Plan of Allocation, or further order(s) of the Court.

18 7.8 The Net Settlement Fund shall be distributed to Authorized Claimants substantially in
19 accordance with the Plan of Allocation described in the Notice and approved by the Court. If there is
20 any balance remaining in the Net Settlement Fund after six (6) months from the date of distribution of
21 the Settlement Fund (whether by reason of tax refunds, uncashed checks, or otherwise), Lead Counsel
22 shall, if economically feasible, reallocate such balance among Authorized Claimants in an equitable and
23 economic fashion. These redistributions will be repeated until the balance remaining in the Net
24 Settlement Fund is no longer economically reasonable, in Lead Counsel's discretion, to distribute to
25 Class Members. Thereafter, any balance which still remains in the Net Settlement Fund shall be
26 donated to Bay Area Legal Aid.

1 7.9 Except for their obligation to pay the Settlement Amount or cause it to be paid, if
2 applicable, Defendants shall have no liability, obligation or responsibility for the administration of the
3 Settlement or disbursement of the Net Settlement Fund. Lead Counsel shall have the right, but not the
4 obligation, to advise the Claims Administrator to waive what Lead Counsel reasonably deems to be
5 formal or technical defects in any Proofs of Claim submitted, including, without limitation, failure to
6 submit a document by the submission deadline, in the interests of achieving substantial justice.

7 7.10 All proceedings with respect to the administration, processing and determination of
8 claims and the determination of all controversies relating thereto, including disputed questions of law
9 and fact with respect to the validity of claims, shall be subject to the jurisdiction of the Court.

10 7.11 The Net Settlement Fund shall be distributed by the Claims Administrator to, or for the
11 account of, Authorized Claimants, as the case may be, only after the Effective Date and after: (i) all
12 claims have been processed, and all claimants whose claims have been rejected or disallowed, in whole
13 or in part, have been notified and provided the opportunity to be heard concerning such rejection or
14 disallowance; (ii) all objections with respect to all rejected or disallowed claims have been resolved by
15 the Court, and all appeals therefrom have been resolved or the time therefor has expired; and (iii) all
16 matters with respect to the Fee and Expense Application have been resolved by the Court, all appeals
17 therefrom have been resolved or the time therefore has expired.

18 **8. Terms of Order for Notice and Hearing**

19 8.1 Promptly after this Stipulation has been fully executed, Lead Counsel shall apply to the
20 Court by motion on notice for entry of the Notice Order, substantially in the form annexed hereto as
21 Exhibit A. Lead Counsel and Defendants shall jointly request that the postmark deadline for objecting
22 and/or submitting exclusions from this Settlement be set at least sixty (60) calendar days after the date
23 for the initial mailing of the Notice as set forth in the Notice Order. Upon receiving any request(s) for
24 exclusion (“Requests for Exclusion”), the Claims Administrator shall promptly notify Lead Counsel and
25 Defendants’ Counsel of such Requests for Exclusion.

1 **9. Terms of Final Judgment**

2 9.1 If the Settlement contemplated by this Stipulation is approved by the Court, Lead
3 Counsel shall request that the Court enter a Final Judgment, substantially in the form annexed hereto as
4 Exhibit B.

5 **10. Effective Date of Settlement, Waiver or Termination**

6 10.1 The Effective Date of Settlement shall be the date when all the following shall have
7 occurred:

- 8 (a) the Court has entered the Notice Order in all material respects;
- 9 (b) the Settlement Amount has been paid into the Escrow Account pursuant to ¶3;
- 10 (c) Sunrun has not exercised its option to terminate this Settlement pursuant to ¶10.3;
- 11 (d) final approval by the Court of the Settlement, following notice to the Class; and
- 12 (e) entry by the Court of a Final Judgment, substantially in the form of Exhibit B
- 13 annexed hereto, and the Final Judgment becomes Final, or, in the event that the Court enters a final
14 judgment in a form other than that provided above (“Alternative Judgment”) and neither any Plaintiff
15 nor any Defendant elects to terminate this Settlement, the date that such Alternative Judgment becomes
16 Final.

17 10.2 Each of the Plaintiffs and each of the Defendants, through their respective counsel, shall,
18 in each of their separate discretions, have the right to terminate the Settlement and this Stipulation, as to
19 themselves, by providing written notice of their election to do so (“Termination Notice”) to all other
20 Parties hereto within thirty (30) calendar days of the date on which: (a) the Court files an order
21 declining to enter the Notice Order in any material respect; (b) the Court files an order refusing to
22 approve this Stipulation or any material part of it; (c) the Court files an order declining to enter the Final
23 Judgment in any material respect; (d) the Final Judgment is modified or reversed by a court of appeal or
24 any higher court in any material respect; or (e) an Alternative Judgment is modified or reversed by a
25 court of appeal or any higher court in any material respect.

26 10.3 If prior to the Settlement Fairness Hearing, Persons who otherwise would be members of
27 the Class have filed with the Court valid and timely Requests for Exclusion from the Class in
28 accordance with the provisions of the Notice Order and the notice given pursuant thereto, and Class

1 Members in the aggregate representing more than a certain percentage of the common stock subject to
2 this Settlement choose to exclude themselves from the Class in an amount greater than the amounts
3 specified in a separate Supplemental Agreement between the Parties (the “Supplemental Agreement”),
4 Sunrun, in its sole and absolute discretion, shall have the option to terminate this Stipulation in
5 accordance with the procedures set forth in the Supplemental Agreement. The Supplemental
6 Agreement will not be filed with the Court unless required by Court rule or unless and until a dispute as
7 between Plaintiffs and Sunrun concerning its interpretation or application arises.

8 10.4 Except as otherwise provided herein, in the event the Settlement is terminated in
9 accordance herewith, is vacated, or the Effective Date fails to occur for any reason, then the Parties
10 shall be deemed to have reverted to their respective status in the Action as of July 8, 2018, and, except
11 as otherwise expressly provided, the Parties shall proceed in all respects as if this Stipulation and any
12 related orders had not been entered, and any portion of the Settlement Amount previously paid by or on
13 behalf of Defendants, together with any interest earned thereon (and, if applicable, re-payment of any
14 attorneys’ fee and expense award referred to in ¶5.1 hereof), less any Taxes due, if any, with respect to
15 such income, and less costs of administration and notice actually incurred and paid or payable from the
16 Settlement Amount (not to exceed \$450,000 without the prior approval of the Court) shall be returned
17 to the party, parties or insurer that paid the Settlement as directed by Sunrun within ten (10) business
18 days from the date of the event causing such termination.

19 **11. No Admission of Wrongdoing**

20 11.1 Defendants deny that they have committed any act or omission giving rise to any liability
21 and/or violation of law, and state that they are entering into this Settlement to eliminate the burden and
22 expense of further litigation. This Stipulation, whether or not consummated, including any and all of its
23 terms, provisions, exhibits and prior drafts, and any negotiations or proceedings related or taken
24 pursuant to it:

25 (a) shall not be offered or received against Defendants as evidence of a presumption,
26 concession, or admission with respect to any liability, negligence, fault, or wrongdoing, or in any way
27 referred to for any other reason as against Defendants, in any other civil, criminal, or administrative
28 action or proceeding, other than such proceedings as may be necessary to effectuate the provisions of

1 this Stipulation; provided, however, that if this Stipulation is approved by the Court and becomes
2 effective pursuant to its terms, Defendants may refer to it to effectuate the liability protection granted
3 them hereunder;

4 (b) shall not be construed as or received in evidence as an admission, concession, or
5 presumption against Plaintiffs or any of the Class Members or Subclass Members that any of their
6 claims are without merit, or that any defenses asserted by Defendants have any merit, or that damages
7 recoverable under the complaint in this Action, or any subsequent operative complaint filed in this
8 Action would not have exceeded the Settlement Fund; and

9 (c) Notwithstanding the foregoing, Defendants, Plaintiffs, Class Members, and/or the
10 Released Parties may file the Stipulation and/or the Final Judgment in any action that may be brought
11 against them in order to support a defense or counterclaim based on principles of *res judicata*, collateral
12 estoppel, release, good faith settlement, judgment bar or reduction or any other theory of claim
13 preclusion or issue preclusion or similar defense or counterclaim.

14 **12. Miscellaneous Provisions**

15 12.1 All of the exhibits attached hereto are hereby incorporated by reference as though fully
16 set forth herein.

17 12.2 The Parties intend the Settlement to be a final and complete resolution of all disputes
18 asserted or which could be asserted by Plaintiffs and/or any Class Member against the Released Parties
19 with respect to the Settled Claims. Accordingly, Plaintiffs and Defendants agree not to assert in any
20 forum that the litigation was brought by Plaintiffs or defended by Defendants in bad faith or without a
21 reasonable basis. The Parties further agree not to assert in any forum that any party violated California
22 Code of Civil Procedure §128.7 relating to the prosecution, defense, or settlement of the Action. The
23 Parties agree that the amount paid and the other terms of the Settlement were negotiated at arm's-length
24 in good faith by the Parties, and reflect a settlement that was reached voluntarily after consultation with
25 experienced legal counsel.

26 12.3 This Stipulation may not be modified or amended, nor may any of its provisions be
27 waived, except by a writing signed by all Parties hereto.

1 12.4 The headings herein are used for the purpose of convenience only and are not meant to
2 have legal effect.

3 12.5 The administration and consummation of the Settlement as embodied in this Stipulation
4 shall be under the authority of the Court, and the Court shall retain jurisdiction for the purpose of
5 entering orders relating to the Fee and Expense Application, the Plan of Allocation and enforcing the
6 terms of this Stipulation.

7 12.6 The waiver by one party of any breach of this Stipulation by any other party shall not be
8 deemed a waiver of any other prior or subsequent breach of this Stipulation.

9 12.7 This Stipulation and its exhibits and the Supplemental Agreement constitute the entire
10 agreement among the Parties hereto concerning the Settlement of the Action, and no representations,
11 warranties, or inducements have been made by any party hereto concerning this Stipulation and its
12 exhibits other than the representations, warranties, and covenants contained and memorialized in such
13 documents.

14 12.8 This Stipulation may be executed in one or more counterparts and the signatures may be
15 by facsimile, or electronically. All executed counterparts and each of them shall be deemed to be one
16 and the same instrument provided that counsel for the Parties shall exchange among themselves original
17 signed counterparts.

18 12.9 This Stipulation shall be binding upon, and inure to the benefit of, the successors,
19 assigns, executors, administrators, heirs and legal representatives of the Parties hereto. No assignment
20 shall relieve any party hereto of obligations hereunder.

21 12.10 The construction, interpretation, operation, effect and validity of this Stipulation, and all
22 documents necessary to effectuate it, shall be governed by the laws of the State of California, without
23 regard to conflicts of laws, except to the extent that federal law requires that federal law governs, and in
24 accordance with the laws of the United States.

25 12.11 This Stipulation shall not be construed more strictly against one party than another
26 merely by virtue of the fact that it, or any part of it, may have been prepared by counsel for one of the
27 Parties, it being recognized that it is the result of arm's-length negotiations between the Parties and all
28 Parties have contributed substantially and materially to the preparation of this Stipulation.

12.12 All counsel and any other person executing this Stipulation and any of the exhibits hereto, or any related settlement documents, warrant and represent that they have the full authority to do so and that they have the authority to take appropriate action required or permitted to be taken pursuant to the Stipulation to effectuate its terms.

12.13 The Settlement contemplated herein is not subject to or contingent upon confirmatory discovery or other discovery.

12.14 In the event that the Settlement does not become final for any reason, or the judgment is vacated, then the Parties to this Action shall revert to their respective positions as of July 8, 2018; and the fact and terms of the Settlement shall not be admissible in any trial of the Action.

12.15 Plaintiffs, Defendants, and their counsel shall not make any applications for sanctions, pursuant California Code of Civil Procedure §128.7 or any other applicable rule, code, or statute, with respect to any claims or defenses in this Action. The Parties agree that throughout the course of the litigation, all Parties and their counsel complied with the provisions of California Code of Civil Procedure §128.7, the Private Securities Litigation Reform Act of 1995, the Securities Litigation Uniform Standards Act of 1998, and all applicable ethics requirements.

12.16 Plaintiffs' Counsel and Defendants' Counsel agree to cooperate reasonably with one another in seeking Court approval of the order for notice and hearing, the Stipulation and the Settlement, and to promptly agree upon and execute all such other documentation as may be reasonably required to obtain final approval by the Court of the Settlement.

IN WITNESS WHEREOF, the Parties hereto have caused this Stipulation to be executed, by their duly authorized attorneys, dated August 23, 2018.

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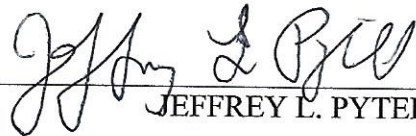
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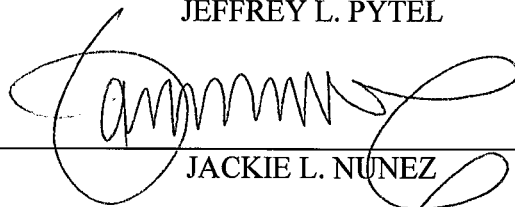
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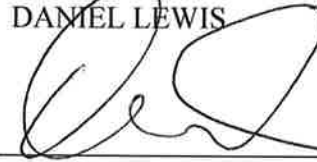
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SUNRUN INC.

By: Jeanna Steeley
Title: General Counsel

LYNN JURICH



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SUNRUN INC.

By:
Title:


LYNN JURICH

BOB KOMIN

EDWARD FENSTER

JAMESON MCJUNKIN

GERALD RISK

STEVE VASSALLO

RICHARD WONG

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EDWARD FENSTER

Jamie McJunkin

JAMESON MCJUNKIN

GERALD RISK

STEVE VASSALLO

RICHARD WONG

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SUNRUN INC.

By:
Title:

LYNN JURICH

BOB KOMIN

EDWARD FENSTER

JAMESON MCJUNKIN

DocuSigned by:

Gerald Risk

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GERALD RISK

STEVE VASSALLO

RICHARD WONG

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SUNRUN INC.

By:
Title:

LYNN JURICH

BOB KOMIN

EDWARD FENSTER

JAMESON MCJUNKIN

GERALD RISK

STEVE VASSALLO

DocuSigned by:

Richard Wong

DAED56BD9534455

RICHARD WONG

ASB

CREDIT SUISSE SECURITIES (USA) LLC

By: *Deborah S. Burstein*
Title: *Director and counsel*

GOLDMAN SACHS & CO. LLC (F/K/A
GOLDMAN, SACHS & CO.)

By:
Title:

MORGAN STANLEY & CO. LLC

By:
Title:

MERRILL LYNCH, PIERCE FENNER & SMITH
INCORPORATED

By:
Title:

RBC CAPITAL MARKETS, LLC

By:
Title:

KEYBANC CAPITAL MARKETS, INC.

By:
Title:

SUNTRUST ROBINSON HUMPHREY, INC.

By:
Title:

- 29 -

STIPULATION OF SETTLEMENT

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CREDIT SUISSE SECURITIES (USA) LLC

By:
Title:



GOLDMAN SACHS & CO. LLC (F/K/A
GOLDMAN, SACHS & CO.)

By: *JONATHAN A. SCHORR*
Title: *Managing Director*

MORGAN STANLEY & CO. LLC

By:
Title:

MERRILL LYNCH, PIERCE FENNER & SMITH
INCORPORATED

By:
Title:

RBC CAPITAL MARKETS, LLC

By:
Title:

KEYBANC CAPITAL MARKETS, INC.

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CREDIT SUISSE SECURITIES (USA) LLC

By:
Title:

GOLDMAN SACHS & CO. LLC (F/K/A
GOLDMAN, SACHS & CO.)

By:
Title:



MORGAN STANLEY & CO. LLC

By: JAMES J. MANGANO
Title: COUNSEL to Morgan Stanley & Co. LLC

MERRILL LYNCH, PIERCE FENNER & SMITH
INCORPORATED

By:
Title:

RBC CAPITAL MARKETS, LLC

By:
Title:

KEYBANC CAPITAL MARKETS, INC.

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SUNTRUST ROBINSON HUMPHREY, INC.

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CREDIT SUISSE SECURITIES (USA) LLC

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GOLDMAN SACHS & CO. LLC (F/K/A
GOLDMAN, SACHS & CO.)

By:
Title:

MORGAN STANLEY & CO. LLC

By:
Title:



MERRILL LYNCH, PIERCE FENNER & SMITH
INCORPORATED

By: *Jill Fairbrother*
Title: *Associate General Counsel*

RBC CAPITAL MARKETS, LLC

By:
Title:

KEYBANC CAPITAL MARKETS, INC.

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SUNTRUST ROBINSON HUMPHREY, INC.

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Title:

GOLDMAN SACHS & CO. LLC (F/K/A
GOLDMAN, SACHS & CO.)

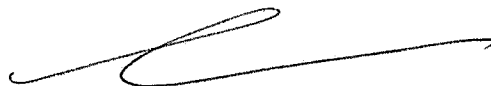
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MORGAN STANLEY & CO. LLC

By:
Title:

MERRILL LYNCH, PIERCE FENNER & SMITH
INCORPORATED

By:
Title:



RBC CAPITAL MARKETS, LLC

By: *Chris Walmsley*
Title: *MANAGING DIRECTOR & HEAD OF
OF CAPITAL MARKETS LAW GROUP*

KEYBANC CAPITAL MARKETS, INC.

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SUNTRUST ROBINSON HUMPHREY, INC.

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CREDIT SUISSE SECURITIES (USA) LLC

By:
Title:

GOLDMAN SACHS & CO. LLC (F/K/A
GOLDMAN, SACHS & CO.)

By:
Title:

MORGAN STANLEY & CO. LLC

By:
Title:

MERRILL LYNCH, PIERCE FENNER & SMITH
INCORPORATED

By:
Title:

RBC CAPITAL MARKETS, LLC

By: *Andrew T. Redinger*
Title: *Managing Director & Group Head*

Andrew T. Redinger

KEYBANC CAPITAL MARKETS, INC.

By:
Title:

SUNTRUST ROBINSON HUMPHREY, INC.

By:
Title:

CREDIT SUISSE SECURITIES (USA) LLC

By:
Title:

GOLDMAN SACHS & CO. LLC (F/K/A
GOLDMAN, SACHS & CO.)

By:
Title:

MORGAN STANLEY & CO. LLC

By:
Title:

MERRILL LYNCH, PIERCE FENNER & SMITH
INCORPORATED

By:
Title:

RBC CAPITAL MARKETS, LLC


By:
Title:

KEYBANC CAPITAL MARKETS, INC.

By:
Title:

SUNTRUST ROBINSON HUMPHREY, INC.

By:
Title:


By: *David T. Brown*
Title: *Secretary and Chief Legal Officer*

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FOUNDATION CAPITAL VI, L.P.

By:
Title:



FOUNDATION CAPITAL MANAGEMENT
CO. VI, LLC

By:
Title:

EXHIBIT A

1 ROBBINS GELLER RUDMAN
& DOWD LLP
2 JAMES I. JACONETTE (179565)
RACHEL L. JENSEN (211456)
3 ASHLEY M. PRICE (281797)
655 West Broadway, Suite 1900
4 San Diego, CA 92101
Telephone: 619/231-1058
5 619/231-7423 (fax)

6 COTCHETT, PITRE & McCARTHY, LLP
MARK C. MOLUMPY (168009)
7 TAMARAH P. PREVOST (313422)
San Francisco Airport Office Center
8 840 Malcolm Road, Suite 200
Burlingame, CA 94010
9 Telephone: 650/697-6000
650/697-0577 (fax)

10 Co-Lead Class Counsel for Plaintiffs

11 SUPERIOR COURT OF THE STATE OF CALIFORNIA

12 COUNTY OF SAN MATEO

13
14 In re SUNRUN INC. SHAREHOLDER
LITIGATION

) Lead Case No. CIV538215
)

) CLASS ACTION
)

15
16 This Document Relates To:

) Assigned to: Hon. Marie S. Weiner
)

17 ALL ACTIONS.
18

) ORDER PRELIMINARILY APPROVING
) SETTLEMENT AND PROVIDING FOR
) NOTICE

19 EXHIBIT A

20 DEPT: 2

21 DATE ACTION FILED: 4/13/16
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1 WHEREAS, on _____, 2018, the Parties to the above-entitled action (the “Action”)¹
2 entered into a Stipulation of Settlement (the “Stipulation” or “Settlement”) which is subject to review
3 by this Court and which, together with the exhibits thereto, sets forth the terms and conditions for the
4 Settlement of the claims alleged in the Action; and the Court having read and considered the Stipulation
5 and the accompanying documents; and the Parties to the Stipulation having consented to the entry of
6 this Order; and all capitalized terms used herein having the meanings defined in the Stipulation;

7 WHEREAS, on December 29, 2017, the Court issued an Order certifying a Class of persons and
8 entities who purchased or otherwise acquired Sunrun common stock before February 1, 2016 pursuant
9 to or traceable to the Company’s Registration Statement issued in connection with Sunrun’s August 5,
10 2015 initial public offering; certified a Subclass of all persons and entities who purchased common
11 stock of Sunrun directly in the August 5, 2015 initial public offering; appointed plaintiffs Jeffrey L.
12 Pytel and Jackie L. Nunez as Class Representatives of the Class and Subclass; and appointed Robbins
13 Geller Rudman & Dowd LLP and Cotchet Pitre & McCarthy LLP to act as Class Counsel;

14 WHEREAS, on January 19, 2018, the Court issued an Order for issuance of notice to the Class
15 and Subclass of pendency of class action, including, among other things, clarifying language regarding
16 the Class and Subclass;

17 NOW, THEREFORE, IT IS HEREBY ORDERED, this ____ day of _____ 2018, that:

18 1. The Court preliminarily finds that:

19 (a) the Settlement resulted from informed, extensive arm’s-length negotiations,
20 including mediation among Plaintiffs and the Sunrun Defendants under the direction of a very
21 experienced mediator, the Hon. Daniel Weinstein (Ret.); and

22 (b) the Settlement is sufficiently fair, reasonable, and adequate to warrant providing
23 notice of the Settlement to the Class.

24 _____
25 ¹ As used herein, the term “Parties” means Jeffrey L. Pytel and Jackie L. Nunez, and Defendants
26 Sunrun, Inc. (“Sunrun” or the “Company”), Lynn Jurich, Bob Komin, Edward Fenster, Jameson
27 McJunkin, Gerald Risk, Steve Vassallo, Richard Wong, Credit Suisse Securities (USA) LLC, Goldman
28 Sachs & Co. LLC (f/k/a Goldman, Sachs & Co.), Morgan Stanley & Co. LLC, Merrill Lynch, Pierce
Fenner & Smith Incorporated, RBC Capital Markets, LLC, KeyBanc Capital Markets Inc., SunTrust
Robinson Humphrey, Inc., Foundation Capital VI, L.P. and Foundation Capital Management Co. VI,
LLC.

1 2. A hearing (the “Settlement Fairness Hearing”) is hereby scheduled to be held before the
2 Court on _____, ___, at _:_ a.m., for the following purposes:

3 (a) to determine whether the proposed Settlement is fair, reasonable, and adequate,
4 and should be approved by the Court;

5 (b) to determine whether the Final Judgment as provided under the Stipulation
6 should be entered;

7 (c) to determine whether the proposed Plan of Allocation should be approved by the
8 Court as fair, reasonable and adequate;

9 (d) to consider Plaintiffs’ Counsel’s application for an award of attorneys’ fees and
10 expenses;

11 (e) to consider Plaintiffs’ request for the reimbursement of the costs and expenses
12 (including lost wages) they incurred in prosecuting this Action on behalf of the Class; and

13 (f) to rule upon such other matters as the Court may deem appropriate.

14 3. The Court reserves the right to approve the Settlement with or without modification and
15 with or without further notice to the Class and may adjourn the Settlement Fairness Hearing without
16 further notice to the Class. The Court reserves the right to enter the Final Judgment approving the
17 Stipulation regardless of whether it has approved the Plan of Allocation, Plaintiffs’ Counsel’s request
18 for an award of attorneys’ fees and expenses and the reimbursement of costs, expenses and time of
19 Plaintiffs in their representation of the Class.

20 4. The Court approves the form, substance and requirements of the Notice of Proposed
21 Settlement of Class Action (the “Notice”), the Proof of Claim and Release (the “Proof of Claim”), and
22 the Summary Notice of Proposed Settlement of Class Action (the “Summary Notice”), annexed hereto
23 as Exhibits A-1, A-2 and A-3, respectively.

24 5. The Court approves the appointment of Garden City Group, LLC as the Claims
25 Administrator to supervise and administer the notice procedure in connection with the proposed
26 settlement as well as the processing of Proofs of Claim as more fully set forth below.

27 6. The Claims Administrator shall cause the Notice and the Proof of Claim, substantially in
28 the forms annexed hereto, to be mailed, by first class mail, postage prepaid, within twenty-one (21)

1 calendar days of this Order, to all Class Members who can be identified with reasonable effort. Within
2 ten (10) calendar days of this Order, Sunrun, at its expense, shall promptly make, or cause to be made,
3 the last known addresses of Class Members, or other identifying information, as set forth in the books
4 and records regularly maintained by the Company, available to the Claims Administrator for the
5 purpose of identifying and giving notice to the Class. The Claims Administrator shall use reasonable
6 efforts to give notice to nominee purchasers such as brokerage firms and other persons or entities who
7 purchased or otherwise acquired Sunrun common stock during the Class Period as record owners but
8 not as beneficial owners. Such nominee purchasers are directed, within fourteen (14) business days of
9 their receipt of the Notice, to either forward copies of the Notice and Proof of Claim to their beneficial
10 owners or to provide the Claims Administrator with lists of the names and addresses of the beneficial
11 owners, and the Claims Administrator is ordered to send the Notice and Proof of Claim promptly to
12 such identified beneficial owners. Nominee purchasers who elect to send the Notice and Proof of Claim
13 to their beneficial owners shall send a statement to the Claims Administrator confirming that the
14 mailing was made as directed. Additional copies of the Notice shall be made available to any record
15 holder requesting such for the purpose of distribution to beneficial owners, and such record holders
16 shall be reimbursed from the Settlement Fund, upon receipt by the Claims Administrator of proper
17 documentation, for the reasonable expense of sending the Notice and Proof of Claim to beneficial
18 owners.

19 7. The Claims Administrator shall cause the Summary Notice to be published once in the
20 national edition of *The Wall Street Journal*, and once over a national newswire service, within ten (10)
21 calendar days after the mailing of the Notice.

22 8. Lead Counsel shall, at least fourteen (14) calendar days before the Settlement Fairness
23 Hearing, file with the Court and serve on the Parties proof of mailing of the Notice and Proof of Claim
24 form and proof of publication of the Summary Notice.

25 9. The form and content of the Notice and the Summary Notice, and the method set forth
26 herein of notifying the Class of the Settlement and its terms and conditions, meet the requirements of
27 California law and due process, constitute the best notice practicable under the circumstances, and shall
28 constitute due and sufficient notice to all persons and entities entitled thereto.

1 10. In order to be entitled to participate in the Net Settlement Fund, in the event the
2 Settlement is consummated in accordance with its terms set forth in the Stipulation, each Class Member
3 shall take the following actions and be subject to the following conditions:

4 (a) Within ninety (90) days after such time as set by the Court to mail notice to the
5 Class, each Person claiming to be an Authorized Claimant shall be required to submit to the Claims
6 Administrator a completed Proof of Claim, substantially in a form contained in Exhibit A-2 attached
7 hereto and as approved by the Court, signed under penalty of perjury and supported by such documents
8 as are specified in the Proof of Claim and as are reasonably available to the Authorized Claimant.

9 (b) Except as otherwise ordered by the Court, all Class Members who fail to timely
10 submit a Proof of Claim within such period, or such other period as may be ordered by the Court, shall
11 be forever barred from receiving any payments pursuant to the Stipulation and the Settlement set forth
12 therein, but will in all other respects be subject to and bound by the provisions of the Stipulation, the
13 releases contained therein, and the Final Judgment. Notwithstanding the foregoing, Lead Counsel may,
14 in their discretion, accept for processing late submitted claims so long as the distribution of the Net
15 Settlement Fund to Authorized Claimants is not materially delayed. No Person shall have any claim
16 against Plaintiffs, Plaintiffs' Counsel or the Claims Administrator by reason of the decision to exercise
17 such discretion whether to accept late-submitted claims.

18 (c) As part of the Proof of Claim, each Class Member shall submit to the jurisdiction
19 of the Court with respect to the claim submitted, and shall (subject to effectuation of the Settlement)
20 release all Settled Claims as provided in the Stipulation.

21 11. Class Members shall be bound by all determinations and judgments in this Action,
22 whether favorable or unfavorable, unless they request exclusion from the Class in a timely and proper
23 manner, as hereinafter provided. A Class Member wishing to make such request shall, no later than
24 sixty (60) calendar days after the date set for the initial mailing of the Notice to Class Members, mail a
25 request for exclusion in written form by first class mail postmarked to the address designated in the
26 Notice. Such request for exclusion shall clearly indicate the name, address and telephone number of the
27 person seeking exclusion, that the sender requests to be excluded from the Settlement, and must be
28 signed by such person. Such persons requesting exclusion are also directed to state the date(s), price(s),

1 and number(s) of shares of common stock they purchased or acquired pursuant or traceable to the
2 Registration Statement issued in connection with Sunrun's initial public offering. The request for
3 exclusion shall not be effective unless it is made in writing within the time stated above, and the
4 exclusion is accepted by the Court. Class Members requesting exclusion from the Class shall not be
5 entitled to receive any payment out of the Net Settlement Fund as described in the Stipulation and
6 Notice.

7 12. The Court will consider objections to the Settlement, the Plan of Allocation, the
8 reimbursement of Plaintiffs' time and expenses, and/or the award of attorneys' fees and expenses. Any
9 person wanting to object may do so in writing and/or by appearing at the Settlement Fairness Hearing.
10 To the extent any person wants to object in writing, such objections and any supporting papers,
11 accompanied by proof of Class membership, shall be filed with the Clerk of the Court, Superior Court
12 of the State of California, County of San Mateo, 400 County Center, Redwood City, CA 94063, and
13 copies of all such papers served no later than _____, 2018, which is sixty (60) calendar days
14 after the date set for the initial mailing of the Notice to the Class to each of the following: Ellen
15 Gusikoff Stewart, Robbins Geller Rudman & Dowd LLP, 655 West Broadway, Suite 1900, San Diego,
16 CA 92101 and Mark C. Molumphy, Cotchett, Pitre & McCarthy, LLP, 840 Malcolm Road, Suite 200,
17 Burlingame, CA 94010, on behalf of the Plaintiffs and the Class and Susan Samuels Muck, Fenwick &
18 West LLP, 555 California Street, 12th Floor, San Francisco, CA 94104, on behalf of the Sunrun
19 Defendants. Persons who intend to object in writing to the Settlement, the Plan of Allocation, the
20 request for an award of attorneys' fees and expenses and/or the request for the reimbursement of
21 Plaintiffs' time and expenses in representing the Class and desire to present evidence at the Settlement
22 Fairness Hearing must include in their written objections copies of any exhibits they intend to introduce
23 into evidence at the Settlement Fairness Hearing. If an objector hires an attorney to represent him, her
24 or it for the purposes of making an objection, the attorney must both effect service of a notice of
25 appearance on counsel listed above and file it with the Court by no later than _____, 2018.
26 A Class Member who files a written objection does not have to appear at the Settlement Fairness
27 Hearing for the Court to consider his, her or its objection. Any member of the Class who does not make
28 his, her, or its objection in the manner provided shall be deemed to have waived such objection and

1 shall forever be foreclosed from making any objection to the fairness or adequacy of the Settlement set
2 forth in the Stipulation, to the Plan of Allocation, and to the award of attorneys' fees and expenses to
3 Lead Counsel and Plaintiffs' reimbursement for their time and expenses, unless otherwise ordered by
4 the Court.

5 13. All papers in support of the Settlement, the Plan of Allocation, and any application by
6 Lead Counsel for attorneys' fees and expenses and reimbursement of Plaintiffs' time and expenses shall
7 be filed fourteen (14) calendar days prior to the deadline in paragraph 12 for objections to be filed. All
8 reply papers shall be filed and served at least seven (7) calendar days prior to the Settlement Fairness
9 Hearing.

10 14. All funds held by the Escrow Agent shall be deemed and considered to be in *custodia*
11 *legis* of the Court, and shall remain subject to the jurisdiction of the Court, until such time as such funds
12 shall be distributed pursuant to the Stipulation and/or further order(s) of the Court.

13 15. Defendants' Counsel and Plaintiffs' Counsel shall promptly furnish each other with
14 copies of any and all objections that come into their possession.

15 16. Pending final determination of whether the Settlement should be approved, the Plaintiffs,
16 all Class Members, and each of them, and anyone who acts or purports to act on their behalf, shall not
17 institute, commence, maintain or prosecute, and are hereby barred and enjoined from instituting,
18 commencing, maintaining or prosecuting, any action in any court or tribunal that asserts Settled Claims
19 against any of the Released Parties.

20 17. All reasonable expenses incurred in identifying and notifying Class Members, as well as
21 administering the Settlement Fund, shall be paid as set forth in the Stipulation. In the event the
22 Settlement is not approved by the Court, or otherwise fails to become effective, neither Plaintiffs nor
23 any of their counsel shall have any obligation to repay any amounts actually and properly disbursed
24 from the Settlement Fund, except as provided for in the Stipulation.

25 18. If any specified condition to the Settlement set forth in the Stipulation is not satisfied and
26 Plaintiffs or Defendants elect to terminate the Settlement, then, in any such event, the Stipulation,
27 including any amendment(s) thereof, shall be null and void and of no further force or effect (except to
28 the extent otherwise expressly provided in the Stipulation), without prejudice to any party, and may not

1 be introduced as evidence or referred to in this Action, the action captioned *In re Sunrun Inc. Securities*
2 *Litigation*, Case No. 3:17-cv-02537-VC, pending in the U.S. District Court for the Northern District of
3 California, or any action or proceedings by any person or entity for any purpose, and each party shall be
4 restored to his, her or its respective position as it existed on July 8, 2018.

5 19. The Court may adjourn or continue the Settlement Fairness Hearing without further
6 written notice.

7 20. The Court retains exclusive jurisdiction over the Action to consider all further matters
8 arising out of or connected with the Settlement. The Court may approve the Settlement, with such
9 modifications as may be agreed by the Parties, if appropriate, without further notice to the Class.

10
11 DATED: _____

THE HONORABLE MARIE S. WEINER
JUDGE OF THE SUPERIOR COURT

EXHIBIT A-1

1 ROBBINS GELLER RUDMAN
& DOWD LLP
2 ELLEN GUSIKOFF STEWART (144892)
JAMES I. JACONETTE (179565)
3 RACHEL L. JENSEN (211456)
ASHLEY M. PRICE (281797)
4 655 West Broadway, Suite 1900
San Diego, CA 92101
5 Telephone: 619/231-1058
619/231-7423 (fax)

6 COTCHETT, PITRE & McCARTHY, LLP
7 MARK C. MOLUMPY (168009)
TAMARAH P. PREVOST (313422)
8 San Francisco Airport Office Center
840 Malcolm Road, Suite 200
9 Burlingame, CA 94010
Telephone: 650/697-6000
10 650/697-0577 (fax)

11 Co-Lead Class Counsel for Plaintiffs

12 SUPERIOR COURT OF THE STATE OF CALIFORNIA

13 COUNTY OF SAN MATEO

14 In re SUNRUN INC. SHAREHOLDER)
LITIGATION)

Lead Case No. CIV538215

15) CLASS ACTION

16 This Document Relates To:)

Assigned to: Hon. Marie S. Weiner

17 ALL ACTIONS.)

18) NOTICE OF PROPOSED SETTLEMENT OF
CLASS ACTION

19 EXHIBIT A-1

20 DEPT: 2

21 DATE ACTION FILED: 4/13/16

1 **NOTICE OF PROPOSED SETTLEMENT OF CLASS ACTION**

2 **TO: ALL PERSONS THAT PURCHASED OR OTHERWISE ACQUIRED SUNRUN INC.**
3 **(“SUNRUN” OR THE “COMPANY”) COMMON STOCK BEFORE FEBRUARY 1,**
4 **2016 PURSUANT OR TRACEABLE TO THE COMPANY’S REGISTRATION**
5 **STATEMENT AND PROSPECTUS ISSUED IN CONNECTION WITH SUNRUN’S**
6 **AUGUST 5, 2015 INITIAL PUBLIC OFFERING (“IPO”) (“CLASS” OR “CLASS**
7 **MEMBERS”)**

8 **IN ORDER TO QUALIFY FOR A SETTLEMENT PAYMENT, YOU MUST TIMELY**
9 **SUBMIT A PROOF OF CLAIM AND RELEASE FORM (“PROOF OF CLAIM”) BY**
10 **_____, 2018.**

11 **THIS NOTICE WAS AUTHORIZED BY THE COURT. IT IS NOT A LAWYER**
12 **SOLICITATION. PLEASE READ THIS NOTICE CAREFULLY AND IN ITS**
13 **ENTIRETY.**

14 **WHY SHOULD I READ THIS NOTICE?**

15 This Notice is given pursuant to an order issued by the Superior Court of California, County of
16 San Mateo (the “Court”). This Notice serves to inform you of the proposed settlement of the above-
17 captioned class action lawsuit (the “Settlement”) and the hearing (the “Settlement Fairness Hearing”) to
18 be held by the Court to consider the fairness, reasonableness, and adequacy of the Settlement, as set
19 forth in the Stipulation of Settlement dated August 23, 2018 (the “Stipulation”), by and between
20 Plaintiffs Jeffrey L. Pytel and Jackie L. Nunez (“Plaintiffs”), on behalf of themselves and the Class, and
21 Defendants Sunrun, Lynn Jurich, Bob Komin, Edward Fenster, Jameson McJunkin, Gerald Risk, Steve
22 Vassallo, Richard Wong, Credit Suisse Securities (USA) LLC, Goldman Sachs & Co. LLC (f/k/a
23 Goldman, Sachs & Co.), Morgan Stanley & Co. LLC, Merrill Lynch, Pierce Fenner & Smith
24 Incorporated, RBC Capital Markets LLC, KeyBanc Capital Markets Inc., SunTrust Robinson
25 Humphrey, Inc., Foundation Capital VI, L.P. and Foundation Capital Management Co. VI, LLC.¹

26 **This Notice is intended to inform you how this lawsuit and proposed Settlement may affect**
27 **your rights and what steps you may take in relation to it. This Notice is NOT an expression of**
28 **any opinion by the Court as to the merits of the claims or defenses asserted in the lawsuit or**
whether the Defendants engaged in any wrongdoing.

1 **WHAT IS THIS LAWSUIT ABOUT?**

2 **I. THE ALLEGATIONS**

3 Sunrun is a provider of residential solar electricity. This Action alleges, among other things,
4 that Defendants misrepresented and omitted material facts in the registration statements for the IPO
5 concerning Sunrun’s core business model, including a planned exit from the key market of Nevada, a
6 growth plan based on unrealistic sales quotas and questionable sales practices, cancellations in several
7 of the Company’s major markets, and the deterioration of the Company’s profitable relationship with
8 Costco. Defendants deny all of Plaintiffs’ allegations.

9 **THE COURT HAS NOT RULED AS TO WHETHER DEFENDANTS ARE LIABLE TO**
10 **PLAINTIFFS OR TO THE CLASS. THIS NOTICE IS NOT INTENDED TO BE AN**
11 **EXPRESSION OF ANY OPINION BY THE COURT WITH RESPECT TO THE TRUTH OF**
12 **THE ALLEGATIONS IN THIS ACTION OR THE MERITS OF THE CLAIMS OR DEFENSES**

13 _____
14 ¹ The Stipulation can be viewed and/or downloaded at www.sunrunsecuritieslitigation.com. All
15 capitalized terms used herein have the same meaning as the terms defined in the Stipulation.

1 **ASSERTED. THIS NOTICE IS SOLELY TO ADVISE YOU OF THE PROPOSED**
2 **SETTLEMENT OF THIS ACTION AND YOUR RIGHTS IN CONNECTION WITH THAT**
3 **SETTLEMENT.**

3 **II. PROCEDURAL HISTORY**

4 The initial complaint was filed on April 13, 2016. Several other complaints were filed
5 thereafter. Defendants removed the action to federal court, and upon motion by Plaintiffs, the litigation
6 was remanded to the Court.

6 On October 17, 2016, Plaintiffs filed their Consolidated Complaint for Violations of the Federal
7 Securities Laws. On November 14, 2016, Defendants filed a demurrer to that complaint. Plaintiffs
8 opposed the demurrer on December 7, 2016. On January 13, 2017, the Court held a hearing on the
9 demurrer and thereafter issued an order overruling the Sunrun Defendants' and Underwriter
10 Defendants' demurrers, and granted Plaintiffs leave to amend their claims against the Venture Capital
11 Defendants.

10 On April 4, 2017, Plaintiffs filed the Amended Consolidated Complaint for Violations of the
11 Federal Securities Laws (the "FAC"). The Venture Capital Defendants filed their demurrer to the FAC
12 on April 24, 2017. Plaintiffs filed their opposition on May 8, 2017, and following oral argument, the
13 Court overruled the Venture Capital Defendants' demurrers, except with respect to William Elmore, the
14 co-founder of Foundation Capital.

13 Defendants made numerous motions to stay the Action in the Court, the California Court of
14 Appeals, and the United States District Court for the Northern District of California. Each of those
15 motions was opposed by Plaintiffs and denied. Defendants also twice moved for judgment on the
16 pleadings. Those motions were opposed by Plaintiffs and denied by the Court.

15 On July 19, 2017, Plaintiffs moved for class certification. Defendants served discovery on
16 Plaintiffs and took their depositions, and thereafter opposed the motion. Following oral argument, on
17 December 29, 2017, the Court issued an order certifying the Class. The Court also certified a Subclass
18 of Sunrun common stock purchasers who purchased directly in the IPO. On January 19, 2018, the
19 Court issued an Order for issuance of notice to the Class and Subclass of pendency of class action,
20 including, among other things, clarifying language regarding the Class and Subclass.

19 The Parties engaged in extensive fact discovery, ultimately resulting in the production of over
20 one million pages of documents by Defendants and third parties. The Parties also conducted a number
21 of depositions, and were scheduling the remaining depositions to take place if settlement had not been
22 reached.

21 In an effort to conserve judicial resources and attempt to settle the Action, the Sunrun
22 Defendants and Plaintiffs engaged the services of the Hon. Daniel Weinstein (Ret.), a nationally
23 recognized mediator. There was an exchange of detailed mediation statements and a full-day in-person
24 mediation with Judge Weinstein on May 4, 2018. Although mediation was carried out in good faith, no
25 agreement was reached and litigation continued. The negotiations continued through Judge Weinstein,
26 and on July 8, 2018, Judge Weinstein's Mediator's Proposal to settle the Action on the terms set forth
27 herein was accepted, subject to the negotiations of a Stipulation of Settlement and approval by the
28 Court. The Stipulation (together with the exhibits thereto) reflects the final and binding agreement
29 between the Parties.

26 **HOW DO I KNOW IF I AM A CLASS MEMBER?**

27 If you purchased or acquired Sunrun common stock before February 1, 2016 pursuant or
28 traceable to the Registration Statement and Prospectus in connection with the Company's IPO, you are
a Class Member. As set forth in the Stipulation, excluded from the Class are: Defendants and members

1 of their immediate families, the officers and directors of Sunrun and members of their immediate
2 families, and their legal representatives, heirs, successors or assigns, and any entity in which Defendants
3 have a controlling interest. For purposes of clarification, any investment company or pooled investment
4 fund, including, but not limited to, mutual fund families, exchange-traded funds, fund of funds and
5 hedge funds, in which any Underwriter Defendant has or may have a direct or indirect interest, or as to
6 which its affiliates may act as an investment advisor but of which any Underwriter Defendant or any of
7 its respective affiliates is not a majority owner or does not hold a majority beneficial interest shall not
8 be deemed an excluded person or entity.

9 The Court also certified a Subclass consisting of all persons and entities who purchased Sunrun
10 common stock directly in the August 5, 2015 IPO.

11 **PLEASE NOTE:** Receipt of this Notice does not mean that you are a Class Member or that
12 you will be entitled to receive a payment from the Settlement. If you are a Class Member and you wish
13 to be eligible to participate in the distribution of proceeds from the Settlement, you are required to
14 submit the Proof of Claim form that is being distributed with this Notice and the required supporting
15 documentation as set forth therein postmarked or submitted online on or before _____, 2018.

16 **WHAT IS THE MONETARY VALUE OF THE PROPOSED SETTLEMENT?**

17 The Settlement, if approved, will result in the creation of a cash settlement fund of \$32,000,000
18 (the "Settlement Fund"). The Settlement Fund, plus accrued interest and minus the costs of this Notice
19 and all costs associated with the administration of the Settlement Fund, as well as attorneys' fees and
20 expenses, and the payment of Plaintiffs' time and expenses in representing the Class, as approved by the
21 Court (the "Net Settlement Fund"), will be distributed to eligible Class Members pursuant to the Plan of
22 Allocation that is described in the next section of this Notice.

23 **WHAT IS THE PROPOSED PLAN OF ALLOCATION?**

24 The objective of the Plan of Allocation is to equitably distribute the Net Settlement Fund among
25 Class Members based on their respective alleged economic losses resulting from the securities law
26 violations alleged in the Action.

27 The Claims Administrator shall determine each Class Member's share of the Net Settlement
28 Fund based upon the recognized loss formula (the "Recognized Loss") described below. A Recognized
Loss will be calculated for each share of Sunrun common stock purchased or otherwise acquired prior
to February 1, 2016, pursuant or traceable to the Company's IPO. The calculation of Recognized Loss
will depend upon several factors, including when the shares of Sunrun common stock were purchased
or otherwise acquired and in what amounts, whether the shares were ever sold, and, if so, when they
were sold and for what amounts. The Recognized Loss is not intended to estimate the amount a Class
Member might have been able to recover after a trial, nor to estimate the amount that will be paid to
Class Members pursuant to the Settlement. The Recognized Loss is the basis upon which the Net
Settlement Fund will be proportionately allocated to Class Members.

Your share of the Net Settlement Fund will depend on the number of valid Proof of Claim forms
that Class Members send in and how many shares of Sunrun common stock you purchased pursuant or
traceable to Sunrun's IPO, and whether you sold any of those shares and when you sold them.

The calculation of claims below is not an estimate of the amount you will receive. It is a
formula for allocating the Net Settlement Fund among all Authorized Claimants. Furthermore, if any of
the formulas set forth below yield an amount less than \$0.00, the claim per share is \$0.00.

ALLOCATION

Claims for the August 2015 Initial Public Offering

Initial Public Offering Price: \$14.00 per share

Closing Price on the date the lawsuit was filed²: \$6.87 per share

A claim will be calculated as follows:

For shares of Sunrun common stock that were purchased or acquired pursuant or traceable to the Company's August 5, 2015 IPO prior to February 1, 2016, and

- (a) sold prior to April 13, 2016, the claim per share is the least of (i) the Purchase Price per share less the Sales Price per share, or (ii) \$14.00 less the Sales Price per share; and
- (b) retained at the close of trading on April 12, 2016, or, sold on or after April 13, 2016, the claim per share is the least of (i) \$14.00 less \$6.87, or (ii) the Purchase Price per share less the Sales Price per share.

In the event a Class Member has more than one purchase or acquisition or sale of Sunrun common stock prior to February 1, 2016, pursuant or traceable to the Registration Statement and Prospectus for the IPO, all such purchases and sales shall be matched on a First-In, First-Out ("FIFO") basis. Sales will be matched against purchases in chronological order, beginning with the earliest purchase made during the relevant period.

A purchase, acquisition or sale of Sunrun common stock shall be deemed to have occurred on the "contract" or "trade" date as opposed to the "settlement" or "payment" date. All purchase, acquisition and sale prices shall exclude any fees and commissions. The receipt or grant by gift, devise, or operation of law of Sunrun common stock during the Class Period shall not be deemed a purchase, acquisition or sale of Sunrun common stock for the calculation of a claimant's recognized claim nor shall it be deemed an assignment of any claim relating to the purchase or acquisition of such shares unless specifically provided in the instrument of gift or assignment. The receipt of Sunrun common stock during the Class Period in exchange for securities of any other corporation or entity shall not be deemed a purchase, acquisition or sale of Sunrun common stock.

With respect to Sunrun common stock purchased or sold through the exercise of an option, the purchase/sale date of the common stock is the exercise date of the option and the purchase/sale price of the stock is the exercise price of the option. Any recognized claim arising from purchases of Sunrun common stock acquired during the Class Period through the exercise of an option on Sunrun common stock shall be computed as provided for other purchases of Sunrun common stock in the Plan of Allocation.

The total of all profits shall be subtracted from the total of all losses from transactions during the Class Period to determine if a Class Member has a recognized claim. Only if a Class Member had a net market loss, after all profits from transactions in Sunrun common stock during the Class Period are subtracted from all losses, will such Class Member be eligible to receive a distribution from the Net Settlement Fund.

If an Authorized Claimant has an overall market gain, the recognized claim for that Authorized Claimant will be \$0.00. If an Authorized Claimant has an overall market loss, that Authorized

² Class action complaint filed on April 13, 2016.

1 Claimant's recognized claim will be limited to the amount of total market loss. The Claims
2 Administrator shall allocate to each Authorized Claimant a *pro rata* share of the Net Settlement Fund
3 based on his, her, or its recognized claim as compared to the total recognized claims of all Authorized
Claimants. No distribution shall be made to Authorized Claimants who would otherwise receive a
distribution of less than \$10.00.

4 Distributions will be made to Authorized Claimants after all claims have been processed, after
5 the Court has finally approved the Settlement, and after any appeals are resolved. If there is any
6 balance remaining in the Net Settlement Fund after at least six (6) months from the initial date of
7 distribution of the Net Settlement Fund (whether by reason of tax refunds, uncashed checks, or
8 otherwise), the Claims Administrator shall, if feasible, reallocate such balance among Authorized
Claimants in an equitable and economic fashion. These redistributions shall be repeated until the
balance remaining in the Net Settlement Fund is no longer economically feasible to distribute to Class
Members. Thereafter, any balance which still remains in the Net Settlement Fund shall be donated to
the Bay Area Legal Aid.

9 Please contact the Claims Administrator or Plaintiffs' Counsel if you disagree with any
10 determinations made by the Claims Administrator regarding your Proof of Claim. If you are
11 dissatisfied with the determinations, you may ask the Court, which retains jurisdiction over all Class
Members and the claims administration process, to decide the issue by submitting a written request.

12 The Court has reserved jurisdiction to allow, disallow, or adjust the claim of any Class Member
on equitable grounds.

13 Payment pursuant to the Plan of Allocation set forth above shall be conclusive against all
14 Authorized Claimants. No Person shall have any claim against Plaintiffs, Plaintiffs' Counsel, any
15 Claims Administrator, any other Person designated by Plaintiffs' Counsel, or any of the Released
16 Parties based on the distributions made substantially in accordance with the Stipulation and the
17 Settlement contained therein, the Plan of Allocation, or further orders of the Court. All Class Members
who fail to complete and submit a valid and timely Proof of Claim shall be barred from participating in
distributions from the Net Settlement Fund (unless otherwise ordered by the Court), but otherwise shall
be bound by all of the terms of the Stipulation, including the terms of any judgment entered and the
releases given.

18 **DO I NEED TO CONTACT PLAINTIFFS' COUNSEL IN ORDER TO PARTICIPATE IN**
19 **DISTRIBUTION OF THE SETTLEMENT FUND?**

20 No. If you have received this Notice and timely submit your Proof of Claim to the designated
21 address, you need not contact Plaintiffs' Counsel. If your address changes, please contact the Claims
Administrator at:

22 *Sunrun Shareholder Litigation Settlement*
23 c/o Garden City Group, LLC
24 P.O. Box 10559
25 Dublin, OH 43017-4521
26 Telephone: 1-800-601-7495
27 www.sunrunsecuritieslitigation.com
28

25 **THERE WILL BE NO PAYMENTS IF THE STIPULATION IS TERMINATED**

26 The Stipulation may be terminated under several circumstances outlined in it. If the Stipulation
27 is terminated, the Action will proceed as if the Stipulation had not been entered into.

1 **WHAT ARE THE REASONS FOR SETTLEMENT?**

2 The Settlement was reached after highly contested motion practice directed to the proper forum
3 for litigating Plaintiffs' claims and to the sufficiency of Plaintiffs' claims. The parties also litigated a
4 contested motion for class certification, and conducted extensive document and deposition discovery.
5 Nevertheless, the Court has not reached any final decisions in connection with Plaintiffs' claims against
6 Defendants. Instead, Plaintiffs and Defendants have agreed to this Settlement, which was reached with
7 the substantial assistance of Judge Daniel Weinstein, a highly respected former judge with extensive
8 experience in the mediation of complex class actions. In reaching the Settlement, the Parties have
9 avoided the cost, delay and uncertainty of further litigation.

10 As in any litigation, Plaintiffs and the proposed Class would face an uncertain outcome if they
11 did not agree to the Settlement. The Parties expected that the case could continue for a lengthy period
12 of time and that if Plaintiffs succeeded, Defendants would file appeals that would postpone final
13 resolution of the case. Continuation of the Action against Defendants could result in a judgment greater
14 than this Settlement. Conversely, continuing the cases could result in no recovery at all or a recovery
15 that is less than the amount of the Settlement.

16 Plaintiffs and Plaintiffs' Counsel believe that this Settlement is fair and reasonable to the
17 members of the Class. They have reached this conclusion for several reasons. Specifically, if the
18 Settlement is approved, the Class will receive a certain and immediate monetary recovery.
19 Additionally, Plaintiffs' Counsel believe that the significant and immediate benefits of the Settlement,
20 when weighed against the significant risk, delay and uncertainty of continued litigation, are a very
21 favorable result for the Class.

22 **WHO REPRESENTS THE CLASS?**

23 The following attorneys are counsel for the Class:

24 Ellen Gusikoff Stewart, Esq.
25 ROBBINS GELLER RUDMAN &
26 DOWD LLP
27 655 West Broadway, Suite 1900
28 San Diego, CA 92101
 Telephone: 800/449-4900

 Mark C. Molumphy, Esq.
COTCHETT, PITRE & MCCARTHY,
LLP
840 Malcolm Road, Suite 200
Burlingame, CA 94010
Telephone: 650/697-6000

 If you have any questions about the Action, or the Settlement, you are entitled to consult with
Plaintiffs' Counsel by contacting counsel at the phone numbers listed above.

 You may obtain a copy of the Stipulation by contacting the Claims Administrator at:

Sunrun Shareholder Litigation Settlement
 c/o Garden City Group LLC
 P.O. Box 10559
 Dublin, OH 43017
 Telephone: 1-800-601-7495
 www.sunrunsecuritieslitigation.com

HOW WILL THE PLAINTIFFS' LAWYERS BE PAID?

 Lead Counsel will file a motion for an award of attorneys' fees and expenses that will be
considered at the Settlement Fairness Hearing. Lead Counsel will apply for an attorneys' fee award for

1 Plaintiffs' Counsel in the amount of up to 33-1/3% of the Settlement Fund, plus payment of Lead
2 Counsel's expenses incurred in connection with this Action in an amount not to exceed \$550,000. In
3 addition, each of the Plaintiffs may seek reimbursement of up to \$18,000 for their time and expenses
4 (including lost wages) incurred in representing the Class. Such sums as may be approved by the Court
5 will be paid from the Settlement Fund. Class Members are not personally liable for any such fees or
6 expenses.

7 The attorneys' fees and expenses requested will be the only payment to Plaintiffs' Counsel for
8 their efforts in achieving this Settlement and for their risk in undertaking this representation on a wholly
9 contingent basis. The fees requested will compensate Plaintiffs' Counsel for their work in achieving the
10 Settlement. The Court will decide what constitutes a reasonable fee award and may award less than the
11 amount requested by Plaintiffs' Counsel.

12 **CAN I EXCLUDE MYSELF FROM THE SETTLEMENT?**

13 If you do not want to receive a payment from this Settlement, or you want to keep the right to
14 sue or continue to sue Defendants on your own about the legal issues in this case, then you must take
15 steps to get out of the Class. This is called excluding yourself from, or "opting out" of, the Class. If
16 you are requesting exclusion because you want to bring your own lawsuit based on the matters alleged
17 in this Action, you may want to consult an attorney and discuss whether any individual claim that you
18 may wish to pursue would be time-barred by the applicable statutes of limitation or repose.

19 To exclude yourself from the Class, you must send a signed letter by mail saying that you want
20 to be excluded from the Class in the following Action: *In re Sunrun Inc. Shareholder Litigation*, Lead
21 Case No. CIV538215. Be sure to include your name, address, telephone number, and the date(s),
22 price(s), and number(s) of shares of the common stock that you purchased or acquired during the Class
23 Period (August 5, 2015 to February 1, 2016). Your exclusion request must be **postmarked no later**
24 **than _____, 201_**, and sent to the Claims Administrator at:

25 *Sunrun Shareholder Litigation Settlement*
26 Claims Administrator
27 EXCLUSIONS
28 c/o Garden City Group, LLC
P.O. Box 10559
Dublin, OH 43017-4521

19 You cannot exclude yourself by phone or by e-mail. If you make a proper request for exclusion,
20 you will not receive a settlement payment, and you cannot object to the Settlement. If you make a
21 proper request for exclusion, you will not be legally bound by anything that happens in this lawsuit.

22 **IF YOU SUBMITTED A REQUEST FOR EXCLUSION IN CONNECTION WITH THE
23 NOTICE OF PENDENCY OF CLASS ACTION THAT YOU RECEIVED EARLIER THIS
24 YEAR, YOU NEED NOT DO SO AGAIN.**

25 **CAN I OBJECT TO THE SETTLEMENT, THE REQUESTED ATTORNEYS' FEES, THE 26 REQUESTED PAYMENT OF COSTS AND EXPENSES AND/OR THE PLAN OF 27 ALLOCATION?**

28 Yes. If you are a Class Member, you may object to the terms of the Settlement. Whether or not
you object to the terms of the Settlement, you may also object to the requested attorneys' fees, costs and
expenses, the service awards to Plaintiffs and/or the Plan of Allocation. In order for any objection to be
considered, you must file a written statement, accompanied by proof of Class membership, with the
Court and send a copy to Plaintiffs' Counsel and the Sunrun Defendants' Counsel, at the addresses
listed below **by _____, 2018**. The Court's address is Superior Court of San Mateo, Hall of
Justice and Records, 400 County Center, Redwood City, CA 94063; Plaintiffs' Counsel's addresses are

1 Robbins Geller Rudman & Dowd LLP, 655 West Broadway, Suite 1900, San Diego, CA 92101, c/o
2 Ellen Gusikoff Stewart and Cotchett, Pitre & McCarthy, LLP, 840 Malcolm Road, Suite 200,
Burlingame, CA 94010, c/o Mark C. Molumphy; and Sunrun Defendants' Counsel's address is Fenwick
& West LLP, 555 California Street, 12th Floor, San Francisco, CA 94104, c/o Susan Samuels Muck.
Attendance at the Settlement Fairness Hearing is not necessary; however, persons wishing to be heard
orally at the Settlement Fairness Hearing are required to indicate in their written objection their
intention to appear at the hearing and identify any witnesses they may call to testify and exhibits, if any,
they intend to introduce into evidence.

WHAT IS THE DIFFERENCE BETWEEN OBJECTING AND EXCLUDING MYSELF FROM THE SETTLEMENT?

Objecting is telling the Court that you do not like something about the proposed Settlement, the
Plan of Allocation, or Plaintiffs' Counsel's request for an award of attorneys' fees and expenses. You
can object only if you stay in the Class. Excluding yourself is telling the Court that you do not want to
be part of the Class. If you exclude yourself, you have no basis to object because the case no longer
applies to you.

WHAT ARE MY RIGHTS AND OBLIGATIONS UNDER THE SETTLEMENT?

If you are a Class Member and you do not exclude yourself from the Class, you may receive the
benefit of, and you will be bound by, the terms of the Settlement described in this Notice, upon
approval by the Court.

HOW CAN I GET A PAYMENT?

In order to qualify for a payment, you must timely complete and return the Proof of Claim form
that accompanies this Notice. A Proof of Claim is enclosed with this Notice or it may be downloaded at
www.sunrunsecuritieslitigation.com. Read the instructions carefully; fill out the Proof of Claim form;
sign it; and mail or submit it online so that it is **postmarked (if mailed) or received (if submitted
online) no later than _____, 2018**. The Proof of Claim may be submitted online at
www.sunrunsecuritieslitigation.com. If you do not submit a timely Proof of Claim form with all of the
required information, you will not receive a payment from the Settlement Fund; however, unless you
expressly exclude yourself from the Class as described above, you will still be bound in all other
respects by the Settlement, the Final Judgment, and the release contained in them.

WHAT CLAIMS WILL BE RELEASED BY THE SETTLEMENT?

If the Settlement is approved by the Court, the Court will enter a Final Judgment. If the Final
Judgment becomes effective pursuant to the terms of the Stipulation, all Class Members shall be
deemed to have, and by operation of the Final Judgment shall have, fully, finally, and forever released,
relinquished, and discharged any and all of the Released Parties from all Settled Claims.

- "Related Parties" means each of a Defendant's past, present or future direct or indirect
parents, subsidiaries, divisions, affiliates or joint ventures, as well as each of their
respective present or former directors, officers, employees, partners, members,
principals, agents, underwriters, insurers, co-insurers, reinsurers, controlling
shareholders, attorneys, accountants, auditors, financial or investment advisors or
consultants, banks or investment bankers, personal or legal representatives,
predecessors, successors, assigns, spouses, heirs, related or affiliated entities, any entity
in which a Defendant has a controlling interest, any member of an Individual
Defendant's immediate family, any trust of which any Individual Defendant is the

1 settlor or which is for the benefit of any Defendant and/or member(s) of his family, and
2 the legal representatives, heirs, successors in interest or assigns of the Defendants.

- 3 • “Released Parties” means Defendants and each and all of their Related Parties.
- 4 • “Settled Claims” means all claims, including “Unknown Claims” as defined below, that
5 both (a) arise out of, are based upon, or relate to in any way any of the allegations, acts,
6 transactions, facts, events, matters, occurrences, statements, representations,
7 misrepresentations or omissions involved, set forth, alleged or referred to in this Action,
8 or which could have been alleged in this Action, and (b) arise out of, are based upon, or
9 relate to in any way the purchase, acquisition, or holding of Sunrun common stock
10 purchased or acquired during the Class Period pursuant to or traceable to the
11 Registration Statement and Prospectus issued in connection with Sunrun’s IPO.
12 “Settled Claims” also includes any and all claims arising out of, relating to, or in
13 connection with the Settlement or resolution of the Action against the Released Parties
14 (including Unknown Claims), except claims to enforce any of the terms of the
15 Stipulation.
- 16 • “Unknown Claims” means any and all claims and potential claims against Defendants
17 which Plaintiffs or any Class Member or Subclass Member does not know or suspect to
18 exist in his, her, or its favor as of the Effective Date, and any claims against Plaintiffs
19 which Defendants do not know or suspect to exist in their favor, which if known by him,
20 her, or it might have affected his, her, or its decision(s) with respect to the Settlement.
21 With respect to any and all Settled Claims and Settled Defendants’ Claims, the Parties
22 stipulate and agree that by operation of the Final Judgment, upon the Effective Date, the
23 Plaintiffs and Defendants shall have expressly waived, and each Class Member shall be
24 deemed to have waived, and by operation of the Final Judgment shall have expressly
25 waived, the provisions, rights and benefits of Cal. Civ. Code §1542, which provides:

17 **A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH**
18 **THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS**
19 **OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE,**
20 **WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY**
21 **AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR;**

21 and any and all provisions, rights, and benefits conferred by any law of any state or
22 territory of the United States, or principle of common law, which is similar, comparable,
23 or equivalent to Cal. Civ. Code §1542. Plaintiffs, Class Members and Subclass
24 Members may hereafter discover facts in addition to or different from those which he,
25 she, or it now knows or believes to be true with respect to the subject matter of the
26 Settled Claims, but Plaintiffs shall expressly fully, finally, and forever settle and release,
27 and each Class Member and Subclass Member, upon the Effective Date, shall be
28 deemed to have, and by operation of the Final Judgment shall have, fully, finally, and
forever settled and released, any and all Settled Claims, known or unknown, suspected
or unsuspected, contingent or non-contingent, whether or not concealed or hidden,
which now exist, or heretofore have existed, upon any theory of law or equity now
existing or coming into existence in the future, including, but not limited to, conduct
which is negligent, intentional, with or without malice, or a breach of any duty, law or
rule, without regard to the subsequent discovery or existence of such different or
additional facts. Plaintiffs and Defendants acknowledge, and Class Members and
Subclass Members shall be deemed to have acknowledged, that the inclusion of

1 “Unknown Claims” in the definition of Settled Claims and Settled Defendants’ Claims
2 was separately bargained for and was a key element of the Settlement.

3 The above description of the proposed Settlement is only a summary. The complete terms are
4 set forth in the Stipulation (including its exhibits), which may be obtained at
5 www.sunrunsecuritieslitigation.com, or by contacting Plaintiffs’ Counsel listed on Page __ above.

6 **THE SETTLEMENT FAIRNESS HEARING**

7 The Court will hold a Settlement Fairness Hearing on _____, 2018, at __: __.m., before the
8 Honorable Marie S. Weiner at the Superior Court of California, County of San Mateo, Department 2,
9 Courtroom 2E, 400 County Center, Redwood City, CA 94063, for the purpose of determining whether:
10 (1) the Settlement as set forth in the Stipulation for \$32,000,000 in cash should be approved by the
11 Court as fair, reasonable and adequate; (2) Final Judgment as provided under the Stipulation should be
12 entered; (3) to award Plaintiffs’ Counsel attorneys’ fees and expenses out of the Settlement Fund; (4) to
13 pay Plaintiffs for their time and expenses (including lost wages) they incurred in representing the Class
14 out of the Settlement Fund; and (5) the Plan of Allocation should be approved by the Court. The Court
15 may adjourn or continue the Settlement Fairness Hearing without further notice to members of the
16 Class.

17 Any Class Member may appear at the Settlement Fairness Hearing and be heard on any of the
18 foregoing matters; provided, however, that no such person shall be heard unless his, her, or its objection
19 is made in writing and is filed, together with proof of membership in the Class and with copies of all
20 other papers and briefs to be submitted by him, her, or it to the Court at the Settlement Fairness
21 Hearing, with the Court no later than _____, 2018, and showing proof of service on the following
22 counsel:

23 Ellen Gusikoff Stewart, Esq.
24 ROBBINS GELLER RUDMAN &
25 DOWD LLP
26 655 West Broadway, Suite 1900
27 San Diego, CA 92101
28 Telephone: 619/231-1058

 Susan Samuels Muck
 FENWICK & WEST LLP
 555 California Street, 12th Floor
 San Francisco, CA 94104

Attorneys for Sunrun Defendants

 Mark C. Molumphy
 COTCHETT, PITRE &
 McCARTHY, LLP
 840 Malcolm Road, Suite 200
 Burlingame, CA 94010
 Telephone: 650/697-6000

Attorneys for Plaintiffs

 Unless otherwise directed by the Court, any Class Member who does not make his, her or its
 objection in the manner provided shall be deemed to have waived all objections to this Settlement and
 shall be foreclosed from raising (in this proceeding or on any appeal), any objection and any untimely
 objection shall be barred.

 If you hire an attorney (at your own expense) to represent you for purposes of objecting, your
 attorney must serve a notice of appearance on counsel listed above and file it with the Court (at the
 address set out above) by no later than _____, 2018.

1 **INJUNCTION**

2 The Court has issued an order enjoining all Class Members from instituting, commencing,
3 maintaining or prosecuting any action in any court or tribunal that asserts Settled Claims against any
Released Party, pending final determination by the Court of whether the Settlement should be approved.

4 **HOW DO I OBTAIN ADDITIONAL INFORMATION?**

5 This Notice contains only a summary of the terms of the proposed Settlement. The records in
6 this Action may be examined and copied at any time during regular office hours, and subject to
customary copying fees, at the Clerk of the Superior Court of California, County of San Mateo. In
7 addition, all of the Settlement documents, including the Stipulation, this Notice, the Proof of Claim
form and proposed Final Judgment may be obtained by contacting the Claims Administrator at:

8 *Sunrun Shareholder Litigation Settlement*
9 c/o Garden City Group, LLC
P.O. Box 10559
10 Dublin, OH 43017-4521
Email: info@sunrunsecuritieslitigation.com
11 Telephone: 1-800-601-7495
www.sunrunsecuritieslitigation.com

12 In addition, you may contact Rick Nelson, Shareholder Relations, Robbins Geller Rudman &
13 Dowd LLP, 655 W. Broadway, Suite 1900, San Diego, CA 92101, 1-800-449-4900 or Mark C.
Molumphy, Cotchett, Pitre & McCarthy, LLP, 840 Malcolm Road, Suite 200, Burlingame, CA 94010,
14 if you have any questions about the Action or the Settlement.

15 **DO NOT WRITE TO OR TELEPHONE THE COURT FOR INFORMATION**

16 **SPECIAL NOTICE TO BANKS, BROKERS, AND OTHER NOMINEES**

17 If you hold any Sunrun common stock purchased or acquired between August 5, 2015 and
18 January 31, 2016, inclusive, as a nominee for a beneficial owner, then, within fourteen (14) days after
you receive this Notice, you must either: (1) send a copy of this Notice by First-Class Mail to all such
Persons; or (2) provide a list of the names and addresses of such Persons to the Claims Administrator:

19 *Sunrun Shareholder Litigation Settlement*
20 c/o Garden City Group, LLC
P.O. Box 10559
21 Dublin, OH 43017-4521
E-mail: info@sunrunsecuritieslitigation.com
22 Telephone: 1-800-601-7495
23 www.sunrunsecuritieslitigation.com

24 If you choose to mail the Notice and Proof of Claim yourself, you may obtain from the Claims
25 Administrator (without cost to you) as many additional copies of these documents as you will need to
complete the mailing.

1 Regardless of whether you choose to complete the mailing yourself or elect to have the mailing
2 performed for you, you may obtain reimbursement for or advancement of reasonable administrative
3 costs actually incurred or expected to be incurred in connection with forwarding the Notice and which
4 would not have been incurred but for the obligation to forward the Notice, upon submission of
5 appropriate documentation to the Claims Administrator.

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DATED: _____

BY ORDER OF THE SUPERIOR COURT OF
CALIFORNIA, COUNTY OF SAN MATEO
HONORABLE MARIE S. WEINER

EXHIBIT A-2

1 ROBBINS GELLER RUDMAN
& DOWD LLP
2 ELLEN GUSIKOFF STEWART (144892)
JAMES I. JACONETTE (179565)
3 RACHEL L. JENSEN (211456)
ASHLEY M. PRICE (281797)
4 655 West Broadway, Suite 1900
San Diego, CA 92101
5 Telephone: 619/231-1058
619/231-7423 (fax)

6 COTCHETT, PITRE & McCARTHY, LLP
7 MARK C. MOLUMPY (168009)
TAMARAH P. PREVOST (313422)
8 San Francisco Airport Office Center
840 Malcolm Road, Suite 200
9 Burlingame, CA 94010
Telephone: 650/697-6000
10 650/697-0577 (fax)

11 Co-Lead Class Counsel for Plaintiffs

12 SUPERIOR COURT OF THE STATE OF CALIFORNIA

13 COUNTY OF SAN MATEO

14 In re SUNRUN INC. SHAREHOLDER
15 LITIGATION

) Lead Case No. CIV538215

) CLASS ACTION

16 This Document Relates To:

) Assigned to: Hon. Marie S. Weiner

17 ALL ACTIONS.

) PROOF OF CLAIM AND RELEASE

18) EXHIBIT A-2

19 DEPT: 2

20 DATE ACTION FILED: 4/13/16

1 **I. GENERAL INSTRUCTIONS**

2 1. To recover as a Class Member based on your claims in the action entitled *In re Sunrun*
3 *Inc. Shareholder Litigation*, Lead Case No. CIV538215 (the “Action”),¹ you must complete and, on
4 page ___ hereof, sign this Proof of Claim and Release (“Proof of Claim”). If you fail to file a properly
5 addressed (as set forth in paragraph 3 below) Proof of Claim, your claim may be rejected and you may
6 be precluded from any recovery from the Net Settlement Fund created in connection with the proposed
7 Settlement.

8 2. Submission of this Proof of Claim, however, does not assure that you will share in the
9 proceeds of the Settlement of the Action.

10 3. YOU MUST MAIL OR SUBMIT ONLINE YOUR COMPLETED AND SIGNED
11 PROOF OF CLAIM, ACCOMPANIED BY COPIES OF THE DOCUMENTS REQUESTED
12 HEREIN, **ON OR BEFORE _____, 2018**, ADDRESSED AS FOLLOWS:

13 *Sunrun Shareholder Litigation Settlement*
14 Claims Administrator
15 c/o Garden City Group, LLC
16 P.O. Box 10559
Dublin, OH 43017-4521
online submissions: www.sunrunsecuritieslitigation.com

17 If you are NOT a Class Member, as defined in the Notice of Proposed Settlement of Class Action
18 (“Notice”), DO NOT submit a Proof of Claim.

19 4. If you are a Class Member and you do not timely request exclusion, you are bound by
20 the terms of any judgment entered in the Action, including the releases provided therein, WHETHER
21 OR NOT YOU SUBMIT A PROOF OF CLAIM.

22 **II. CLAIMANT IDENTIFICATION**

23 If you purchased or acquired Sunrun Inc. (“Sunrun” or the “Company”) common stock before
24 February 1, 2016, pursuant or traceable to the Company’s August 5, 2015 initial public offering
25 (“IPO”), and held the certificate(s) in your name, you are the beneficial purchaser as well as the record
26 purchaser. If, however, you purchased or acquired Sunrun common stock before February 1, 2016,

27 ¹ This Proof of Claim and Release (“Proof of Claim”) incorporates by reference the definitions in the
28 Stipulation of Settlement (“Stipulation”), which can be obtained at www.sunrunsecuritieslitigation.com.

1 pursuant or traceable to Sunrun's IPO, and the certificate(s) were registered in the name of a third party,
2 such as a nominee or brokerage firm, you are the beneficial purchaser and the third party is the record
3 purchaser.

4 Use Part I of this form entitled "Claimant Identification" to identify each purchaser of record
5 ("nominee"), if different from the beneficial purchaser of the Sunrun common stock which forms the
6 basis of this claim. THIS CLAIM MUST BE FILED BY THE ACTUAL BENEFICIAL
7 PURCHASER(S) OR ACQUIRER(S) OR THE LEGAL REPRESENTATIVE OF SUCH
8 PURCHASER(S) OR ACQUIRER(S) OF THE SUNRUN COMMON STOCK UPON WHICH THIS
9 CLAIM IS BASED.

10 All joint purchasers or acquirers must sign this claim. Executors, administrators, guardians,
11 conservators, and trustees must complete and sign this claim on behalf of persons represented by them
12 and their authority must accompany this claim and their titles or capacities must be stated. The Social
13 Security (or taxpayer identification) number and telephone number of the beneficial owner may be used
14 in verifying the claim. Failure to provide the foregoing information could delay verification of your
15 claim or result in rejection of the claim.

16 **III. CLAIM FORM**

17 Use Part II of this form entitled "Schedule of Transactions in Sunrun Common Stock" to supply
18 all required details of your transaction(s). If you need more space or additional schedules, attach
19 separate sheets giving all of the required information in substantially the same form. Sign and print or
20 type your name on each additional sheet.

21 On the schedules, provide all of the requested information with respect to *all* of your purchases,
22 acquisitions, and sales of Sunrun common stock which took place between August 5, 2015 and January
23 31, 2016, inclusive, including any common stock purchased in or traceable to the Company's IPO,
24 whether such transactions resulted in a profit or a loss. You must also provide all of the requested
25 information with respect to *all* of the shares of Sunrun common stock you held at the close of trading on
26 January 31, 2016 and April 13, 2016. Failure to report all such transactions may result in the rejection
27 of your claim.

1 List each transaction separately and in chronological order, by trade date, beginning with the
2 earliest. You must accurately provide the month, day, and year of each transaction you list.

3 The date of covering a “short sale” is deemed to be the date of purchase of Sunrun common
4 stock. The date of a “short sale” is deemed to be the date of sale of Sunrun common stock.

5 **COPIES OF BROKER CONFIRMATIONS OR OTHER DOCUMENTATION OF**
6 **YOUR TRANSACTIONS IN SUNRUN COMMON STOCK SHOULD BE ATTACHED TO**
7 **YOUR CLAIM. FAILURE TO PROVIDE THIS DOCUMENTATION COULD DELAY**
8 **VERIFICATION OF YOUR CLAIM OR RESULT IN REJECTION OF YOUR CLAIM.**

9 NOTICE REGARDING ELECTRONIC FILES: Certain claimants with large numbers of
10 transactions may request, or may be requested, to submit information regarding their transactions in
11 electronic files. All claimants MUST submit a manually signed paper Proof of Claim whether or not
12 they also submit electronic copies. If you wish to file your claim electronically, you must contact the
13 Claims Administrator at 1-800-601-7495 to obtain the required file layout. No electronic files will be
14 considered to have been properly submitted unless the Claims Administrator issues to the claimant a
15 written acknowledgment of receipt and acceptance of electronically submitted data.

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF SAN MATEO

In re Sunrun Inc. Shareholder Litigation

Lead Case No. CIV538215

PROOF OF CLAIM AND RELEASE

Must Be Postmarked (if Mailed) or Received (if Submitted Online) No Later Than:

_____, 2018

Please Type or Print

REMEMBER TO ATTACH COPIES OF BROKER CONFIRMATIONS OR OTHER DOCUMENTATION OF YOUR TRANSACTIONS IN SUNRUN COMMON STOCK. FAILURE TO PROVIDE THIS DOCUMENTATION COULD DELAY VERIFICATION OF YOUR CLAIM OR RESULT IN REJECTION OF YOUR CLAIM.

PART I: CLAIMANT IDENTIFICATION

Last Name	M.I.	First Name
<input type="text"/>	<input type="text"/>	<input type="text"/>
Last Name (Co-Beneficial Owner)	M.I.	First Name (Co-Beneficial Owner)
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="radio"/> IRA <input type="radio"/> Joint Tenancy <input type="radio"/> Employee <input type="radio"/> Individual <input type="radio"/> Other _____ (specify)		
Company Name (Beneficial Owner - If Claimant is not an Individual) or Custodian Name if an IRA		
<input type="text"/>		
Trustee/Asset Manager/Nominee/Record Owner's Name (If Different from Beneficial Owner Listed Above)		
<input type="text"/>		
Account#/Fund# (Not Necessary for Individual Filers)		
<input type="text"/>		

Social Security Number	Taxpayer Identification Number
<input type="text"/> - <input type="text"/> - <input type="text"/>	or <input type="text"/> - <input type="text"/>
Telephone Number (Primary Daytime)	Telephone Number (Alternate)
<input type="text"/> - <input type="text"/> - <input type="text"/>	<input type="text"/> - <input type="text"/> - <input type="text"/>
Email Address	
<input type="text"/>	

MAILING INFORMATION

Address		
<input type="text"/>		
Address		
<input type="text"/>		
City	State	Zip Code
<input type="text"/>	<input type="text"/>	<input type="text"/>
Foreign Province	Foreign Postal Code	Foreign Country Name/Abbreviation
<input type="text"/>	<input type="text"/>	<input type="text"/>

PART II: SCHEDULE OF TRANSACTIONS IN SUNRUN COMMON STOCK

- A. Purchases or acquisitions of Sunrun common stock (August 5, 2015 – January 31, 2016, inclusive), including purchases or acquisitions in or traceable to Sunrun’s IPO.

Trade Date(s) Month Day Year (List chronologically)	Number of Shares Purchased or Acquired	Total Purchase Price (Excluding commissions, taxes and fees)	Proof of Purchase/ Acquisition Enclosed
1. _____	1. _____	1. _____	<input type="checkbox"/> Y <input type="checkbox"/> N
2. _____	2. _____	2. _____	<input type="checkbox"/> Y <input type="checkbox"/> N
3. _____	3. _____	3. _____	<input type="checkbox"/> Y <input type="checkbox"/> N

IMPORTANT: (i) If any purchase listed covered a “short sale,” please mark Yes: ☐ Yes

(ii) If you received shares through an acquisition or merger, please identify the date, the share amount, and the company acquired:

_____/_____/_____
MM DD YYYY Merger Shares Company

- B. Sales of Sunrun common stock (August 5, 2015 – April 13, 2016, inclusive):

Trade Date Month Day Year	Number of Shares Sold	Total Sales Price (Excluding commissions, taxes and fees)	Proof of Sale Enclosed
1. _____	1. _____	1. _____	<input type="checkbox"/> Y <input type="checkbox"/> N
2. _____	2. _____	2. _____	<input type="checkbox"/> Y <input type="checkbox"/> N
3. _____	3. _____	3. _____	<input type="checkbox"/> Y <input type="checkbox"/> N

- C. Number of shares of Sunrun common stock held at the close of trading on January 31, 2016: _____. Proof of Position Enclosed
☐ Yes ☐ No

- D. Number of shares of Sunrun common stock held at the close of trading on April 13, 2016: _____. Proof of Position Enclosed
☐ Yes ☐ No

YOU MUST READ AND SIGN THE RELEASE ON PAGE __. FAILURE TO SIGN THE RELEASE MAY RESULT IN A DELAY IN PROCESSING OR THE REJECTION OF YOUR CLAIM.

1 **IV. SUBMISSION TO JURISDICTION OF COURT AND**
2 **ACKNOWLEDGMENTS**

3 I (We) submit this Proof of Claim under the terms of the Stipulation described in the Notice. I
4 (We) also submit to the jurisdiction of the Superior Court of the State of California, County of San
5 Mateo, with respect to my (our) claim as a Class Member and for purposes of enforcing the release set
6 forth herein. I (We) further acknowledge that I am (we are) bound by and subject to the terms of any
7 judgment that may be entered in the Action. I (We) agree to furnish additional information to the
8 Claims Administrator to support this claim if requested to do so. I (We) have not submitted any other
9 claim covering the same purchases, acquisitions or sales of Sunrun common stock during the relevant
10 period and know of no other person having done so on my (our) behalf.

11 **V. RELEASE**

12 1. I (We) hereby acknowledge full and complete satisfaction of, and do hereby fully,
13 finally, and forever settle, release, and discharge from the Settled Claims each and all of the “Released
14 Parties,” defined as Defendants and each and all of their Related Parties.

15 2. “Related Parties” means each of a Defendant’s past, present or future direct or indirect
16 parents, subsidiaries, divisions, affiliates or joint ventures, as well as each of their respective present or
17 former directors, officers, employees, partners, members, principals, agents, underwriters, insurers, co-
18 insurers, reinsurers, controlling shareholders, attorneys, accountants, auditors, financial or investment
19 advisors or consultants, banks or investment bankers, personal or legal representatives, predecessors,
20 successors, assigns, spouses, heirs, related or affiliated entities, any entity in which a Defendant has a
21 controlling interest, any member of an Individual Defendant’s immediate family, any trust of which any
22 Individual Defendant is the settlor or which is for the benefit of any Defendant and/or member(s) of his
23 family, and the legal representatives, heirs, successors in interest or assigns of the Defendants.

24 3. “Settled Claims” means all claims, including “Unknown Claims” as defined below, that
25 both (a) arise out of, are based upon, or relate to in any way any of the allegations, acts, transactions,
26 facts, events, matters, occurrences, statements, representations, misrepresentations or omissions
27 involved, set forth, alleged or referred to in this Action, or which could have been alleged in this Action,
28 and (b) arise out of, are based upon, or relate to in any way the purchase, acquisition, or holding of

1 Sunrun common stock purchased or acquired during the Class Period pursuant to or traceable to the
2 Registration Statement and Prospectus issued in connection with Sunrun's IPO. "Settled Claims" also
3 includes any and all claims arising out of, relating to, or in connection with the Settlement or resolution
4 of the Action against the Released Parties (including Unknown Claims), except claims to enforce any of
5 the terms of the Stipulation.

6 4. "Unknown Claims" means any and all claims and potential claims against Defendants
7 which Plaintiffs or any Class Member or Subclass Member does not know or suspect to exist in his, her,
8 or its favor as of the Effective Date, and any claims against Plaintiffs which Defendants do not know or
9 suspect to exist in their favor, which if known by him, her, or it might have affected his, her, or its
10 decision(s) with respect to the Settlement. With respect to any and all Settled Claims and Settled
11 Defendants' Claims, the Parties stipulate and agree that by operation of the Final Judgment, upon the
12 Effective Date, the Plaintiffs and Defendants shall have expressly waived, and each Class Member and
13 Subclass Member shall be deemed to have waived, and by operation of the Final Judgment shall have
14 expressly waived, the provisions, rights and benefits of Cal. Civ. Code §1542, which provides:

15 **A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE**
16 **CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER**
17 **FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN**
BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER
SETTLEMENT WITH THE DEBTOR;

18 and any and all provisions, rights, and benefits conferred by any law of any state or territory of the
19 United States, or principle of common law, which is similar, comparable, or equivalent to Cal. Civ.
20 Code §1542. Plaintiffs, Class Members and Subclass Member may hereafter discover facts in addition
21 to or different from those which he, she, or it now knows or believes to be true with respect to the
22 subject matter of the Settled Claims, but Plaintiffs shall expressly fully, finally, and forever settle and
23 release, and each Class Member and Subclass Member, upon the Effective Date, shall be deemed to
24 have, and by operation of the Final Judgment shall have, fully, finally, and forever settled and released,
25 any and all Settled Claims, known or unknown, suspected or unsuspected, contingent or non-contingent,
26 whether or not concealed or hidden, which now exist, or heretofore have existed, upon any theory of
27 law or equity now existing or coming into existence in the future, including, but not limited to, conduct
28 which is negligent, intentional, with or without malice, or a breach of any duty, law or rule, without

regard to the subsequent discovery or existence of such different or additional facts. Plaintiffs and Defendants acknowledge, and Class Members and Subclass Members shall be deemed to have acknowledged, that the inclusion of “Unknown Claims” in the definition of Settled Claims and Settled Defendants’ Claims was separately bargained for and was a key element of the Settlement.

5. I (We) hereby warrant and represent that I (we) have not assigned or transferred or purported to assign or transfer, voluntarily or involuntarily, any matter released pursuant to this release or any other part or portion thereof.

6. I (We) hereby warrant and represent that I (we) have included information about all of my (our) transactions in Sunrun common stock which occurred during the relevant period as well as the number of shares of Sunrun common stock held by me (us) at the close of trading on January 31, 2016 and April 13, 2016.

I (We) declare under penalty of perjury under the laws of the United States of America that all of the foregoing information supplied on this Proof of Claim by the undersigned is true and correct.

Executed this _____ day of _____
(Month/Year)

in _____
(City) (State/Country)

(Sign your name here)

(Type or print your name here)

(Capacity of person(s) signing,
e.g., Beneficial Purchaser or Acquirer,
Executor or Administrator)

**ACCURATE CLAIMS PROCESSING TAKES A
SIGNIFICANT AMOUNT OF TIME.
THANK YOU FOR YOUR PATIENCE.**

Reminder Checklist:

1. Please sign the above release and acknowledgment.
2. Remember to attach copies of supporting documentation.

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3. **Do not send** originals of certificates or other documentation as they will not be returned.
4. Keep a copy of your Proof of Claim and all supporting documentation for your records.
5. If you desire an acknowledgment of receipt of your Proof of Claim, please send it Certified Mail, Return Receipt Requested.
6. If you move, please send your new address to the address below.
7. **Do not use red pen or highlighter** on the Proof of Claim or supporting documentation.

THIS PROOF OF CLAIM MUST BE SUBMITTED ONLINE OR MAILED NO LATER THAN _____, 2018, ADDRESSED AS FOLLOWS:

Sunrun Shareholder Litigation Settlement
Claims Administrator
c/o Garden City Group, LLC
P.O. Box 10559
Dublin, OH 43017-4521
www.sunrunsecuritieslitigation.com

EXHIBIT A-3

1 ROBBINS GELLER RUDMAN
& DOWD LLP
2 ELLEN GUSIKOFF STEWART (144892)
JAMES I. JACONETTE (179565)
3 RACHEL L. JENSEN (211456)
ASHLEY M. PRICE (281797)
4 655 West Broadway, Suite 1900
San Diego, CA 92101
5 Telephone: 619/231-1058
619/231-7423 (fax)

6 COTCHETT, PITRE & McCARTHY, LLP
7 MARK C. MOLUMPY (168009)
TAMARAH P. PREVOST (313422)
8 San Francisco Airport Office Center
840 Malcolm Road, Suite 200
9 Burlingame, CA 94010
Telephone: 650/697-6000
10 650/697-0577 (fax)

11 Co-Lead Class Counsel for Plaintiffs

12 SUPERIOR COURT OF THE STATE OF CALIFORNIA

13 COUNTY OF SAN MATEO

14 In re SUNRUN INC. SHAREHOLDER)
LITIGATION)

Lead Case No. CIV538215

15 CLASS ACTION

16 This Document Relates To:)

Assigned to: Hon. Marie S. Weiner

17 ALL ACTIONS.)

SUMMARY NOTICE OF PROPOSED
SETTLEMENT OF CLASS ACTION

19 EXHIBIT A-3

20 DEPT: 2

21 DATE ACTION FILED: 4/13/16

1 **TO: ALL PERSONS THAT PURCHASED OR OTHERWISE ACQUIRED SUNRUN INC.**
2 **(“SUNRUN” OR THE “COMPANY”) COMMON STOCK BEFORE FEBRUARY 1,**
3 **2016 PURSUANT OR TRACEABLE TO THE COMPANY’S REGISTRATION**
4 **STATEMENT AND PROSPECTUS ISSUED IN CONNECTION WITH SUNRUN’S**
5 **AUGUST 5, 2015 INITIAL PUBLIC OFFERING (“IPO”) (“CLASS” OR “CLASS**
6 **MEMBERS”)**

7 **THIS NOTICE WAS AUTHORIZED BY THE COURT. IT IS NOT A LAWYER**
8 **SOLICITATION. PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY.**

9 YOU ARE HEREBY NOTIFIED that a hearing will be held on _____, 2018, at _:_ .m.,
10 before the Honorable Marie S. Weiner at the Superior Court of California, County of San Mateo,
11 Department 2, Courtroom 2E, 400 County Center, Redwood City, CA 94063, to determine whether: (1)
12 the proposed settlement (the “Settlement”) of the above-captioned action as set forth in the Stipulation
13 of Settlement (“Stipulation”)¹ for \$32,000,000 in cash should be approved by the Court as fair,
14 reasonable and adequate; (2) the Final Judgment as provided under the Stipulation should be entered;
15 (3) to award Plaintiffs’ Counsel attorneys’ fees and expenses out of the Settlement Fund (as defined in
16 the Notice of Proposed Settlement of Class Action (“Notice”), which is discussed below); (4) to pay
17 Plaintiffs for the time and expenses they incurred in representing the Class out of the Settlement Fund;
18 and (5) the Plan of Allocation should be approved by the Court as fair, reasonable and adequate.

19 This Action is a consolidated securities class action brought on behalf of those Persons who
20 purchased or acquired the common stock of Sunrun pursuant or traceable to the Registration Statement
21 and Prospectus for Sunrun’s IPO, against Sunrun, certain of its key executives, directors and
22 underwriters of Sunrun’s IPO, and Sunrun’s venture capital partners (collectively, “Defendants”) for,
23 among other things, allegedly misstating and omitting material facts from the Registration Statements
24 filed with the U.S. Securities and Exchange Commission in connection with the IPO. Plaintiffs allege
25 that these purportedly false and misleading statements inflated the price of the Company’s stock,
26 resulting in damage to Class Members when the truth was revealed. Defendants deny all of Plaintiffs’
27 allegations.

28 ¹ The Stipulation can be viewed and/or obtained at www.sunrunsecuritieslitigation.com.

1 IF YOU PURCHASED OR ACQUIRED SUNRUN COMMON STOCK BETWEEN AUGUST
2 5, 2015 THROUGH AND INCLUDING JANUARY 31, 2016, YOUR RIGHTS MAY BE AFFECTED
3 BY THE SETTLEMENT OF THIS ACTION.

4 To share in the distribution of the Settlement Fund, you must establish your rights by submitting
5 a Proof of Claim and Release form ("Proof of Claim") by mail (**postmarked no later than**
6 **_____, 2018**) or electronically (**no later than _____, 2018**). Your failure to submit your
7 Proof of Claim by _____, 2018, will subject your claim to rejection and preclude your receiving any of
8 the recovery in connection with the Settlement of this Action. If you are a member of the Class and do
9 not request exclusion therefrom, you will be bound by the Settlement and any judgment and release
10 entered in the Action, including, but not limited to, the Final Judgment, whether or not you submit a
11 Proof of Claim.

12 If you have not received a copy of the Notice, which more completely describes the Settlement
13 and your rights thereunder (including your right to object to the Settlement), and a Proof of Claim form,
14 you may obtain these documents, as well as a copy of the Stipulation (which, among other things,
15 contains definitions for the defined terms used in this Summary Notice) and other settlement
16 documents, online at www.sunrunsecuritieslitigation.com, or by writing to:

17 *Sunrun Shareholder Litigation Settlement*
18 c/o Garden City Group, LLC
19 P.O. Box 10559
Dublin, OH 43017-4521

20 Inquiries should NOT be directed to Defendants, the Court, or the Clerk of the Court.

21 Inquiries, other than requests for the Notice or for a Proof of Claim form, may be made to
22 Plaintiffs' Counsel:

1 ROBBINS GELLER RUDMAN & DOWD LLP
2 Ellen Gusikoff Stewart, Esq.
3 655 West Broadway, Suite 1900
4 San Diego, CA 92101
5 Telephone: 800/449-4900

6 COTCHETT, PITRE & McCARTHY, LLP
7 Mark C. Molumphy
8 840 Malcolm Road, Suite 200
9 Burlingame, CA 94010
10 Telephone: 650/697-6000

11 IF YOU DESIRE TO BE EXCLUDED FROM THE CLASS, YOU MUST SUBMIT A
12 REQUEST FOR EXCLUSION SUCH THAT IT IS **POSTMARKED BY** _____, **201**_, IN
13 THE MANNER AND FORM EXPLAINED IN THE NOTICE. ALL MEMBERS OF THE CLASS
14 WHO HAVE NOT REQUESTED EXCLUSION FROM THE CLASS WILL BE BOUND BY THE
15 SETTLEMENT EVEN IF THEY DO NOT SUBMIT A TIMELY PROOF OF CLAIM. IF YOU
16 PREVIOUSLY REQUESTED EXCLUSION FROM THE CLASS YOU DO NOT NEED TO DO SO
17 AGAIN.

18 IF YOU ARE A CLASS MEMBER, YOU HAVE THE RIGHT TO OBJECT TO THE
19 SETTLEMENT, THE PLAN OF ALLOCATION, THE REQUEST BY PLAINTIFFS' COUNSEL
20 FOR AN AWARD OF ATTORNEYS' FEES AND EXPENSES, AND/OR THE PAYMENT TO
21 PLAINTIFFS FOR THEIR TIME AND EXPENSES. ANY OBJECTIONS MUST BE FILED WITH
22 THE COURT AND SENT TO PLAINTIFFS' COUNSEL **BY** _____, **201**_, IN THE
23 MANNER AND FORM EXPLAINED IN THE NOTICE.

24 DATED: _____

HONORABLE MARIE S. WEINER
SUPERIOR COURT JUDGE FOR THE STATE
OF CALIFORNIA, COUNTY OF SAN MATEO

EXHIBIT B

1 ROBBINS GELLER RUDMAN
& DOWD LLP
2 ELLEN GUSIKOFF STEWART (144892)
JAMES I. JACONETTE (179565)
3 RACHEL L. JENSEN (211456)
ASHLEY M. PRICE (281797)
4 655 West Broadway, Suite 1900
San Diego, CA 92101
5 Telephone: 619/231-1058
619/231-7423 (fax)

6 COTCHETT, PITRE & McCARTHY, LLP
7 MARK C. MOLUMPY (168009)
TAMARAH P. PREVOST (313422)
8 San Francisco Airport Office Center
840 Malcolm Road, Suite 200
9 Burlingame, CA 94010
Telephone: 650/697-6000
10 650/697-0577 (fax)

11 Co-Lead Class Counsel for Plaintiffs

12 SUPERIOR COURT OF THE STATE OF CALIFORNIA

13 COUNTY OF SAN MATEO

14 In re SUNRUN INC. SHAREHOLDER)
LITIGATION)

Lead Case No. CIV538215

15) CLASS ACTION

16 This Document Relates To:)

Assigned to: Hon. Marie S. Weiner

17 ALL ACTIONS.)

18) JUDGMENT AND ORDER GRANTING
FINAL APPROVAL OF CLASS ACTION
SETTLEMENT

19 EXHIBIT B

20 DEPT: 2

21 DATE ACTION FILED: 4/13/16

1 WHEREAS, the Court is advised that the Parties,¹ through their counsel, have agreed, subject to
2 Court approval following notice to the Class and a hearing, to settle this Action upon the terms and
3 conditions set forth in the Stipulation of Settlement dated August 23, 2018 (the “Stipulation” or
4 “Settlement”); and

5 WHEREAS, on _____, 2018, the Court entered its Order Preliminarily Approving
6 Settlement and Providing for Notice, which preliminarily approved the Settlement, and approved the
7 form and manner of notice to the Class of the Settlement, and said notice has been made, and the
8 fairness hearing having been held; and

9 NOW, THEREFORE, based upon the Stipulation and all of the filings, records and proceedings
10 herein, and it appearing to the Court upon examination that the Settlement set forth in the Stipulation is
11 fair, reasonable and adequate, and upon a Settlement Fairness Hearing having been held after notice to
12 the Class of the Settlement to determine if the Settlement is fair, reasonable, and adequate and whether
13 the Final Judgment should be entered in this Action;

14 **THE COURT HEREBY FINDS AND CONCLUDES THAT:**

15 A. The provisions of the Stipulation, including definitions of the terms used therein, are
16 hereby incorporated by reference as though fully set forth herein.

17 B. This Court has jurisdiction of the subject matter of this Action and over all of the Parties
18 and all Class Members.

19 D. The form, content, and method of dissemination of notice given to the Class was
20 adequate and reasonable and constituted the best notice practicable under the circumstances, including
21 individual notice to all Class Members who could be identified through reasonable effort.

22 E. Notice, as given, complied with the requirements of California law, satisfied the
23 requirements of due process, and constituted due and sufficient notice of the matters set forth herein.

24
25 ¹ As used herein, the term “Parties” means Plaintiffs Jeffrey L. Pytel and Jackie L. Nunez and
26 Defendants Sunrun Inc., Lynn Jurich, Bob Komin, Edward Fenster, Jameson McJunkin, Gerald Risk,
27 Steve Vassallo, Richard Wong, Credit Suisse Securities (USA) LLC, Goldman Sachs & Co. LLC (f/k/a
28 Goldman, Sachs & Co.), Morgan Stanley & Co. LLC, Merrill Lynch, Pierce Fenner & Smith
Incorporated, RBC Capital Markets, LLC, KeyBanc Capital Markets Inc., SunTrust Robinson
Humphrey, Inc., Foundation Capital VI, L.P. and Foundation Capital Management Co. VI, LLC.

1 F. The Settlement set forth in the Stipulation in the amount of \$32,000,000 is fair,
2 reasonable, and adequate.

3 (i) The Settlement was negotiated at arm's length by Plaintiffs on behalf of the Class
4 and by Defendants, all of whom were represented by highly experienced and skilled counsel. The case
5 settled only after, among other things: (a) a mediation conducted by an experienced mediator who was
6 thoroughly familiar with this Action; (b) the exchange between the Plaintiffs and the Sunrun Defendants
7 of detailed mediation statements prior to the mediation which highlighted the factual and legal issues in
8 dispute; (c) follow-up negotiations between the Plaintiffs and the Sunrun Defendants with the assistance
9 of the mediator; (d) Plaintiffs' Counsel's extensive investigation, which included, among other things, a
10 review of Sunrun's press releases, U.S. Securities and Exchange Commission filings, analyst reports,
11 media reports, and other publicly disclosed reports and information about the Defendants; (e) the
12 drafting and submission of detailed complaints; (f) extensive motion practice; (g) the review and
13 analysis of over one million pages of non-public documents produced by Defendants and third parties;
14 (h) certification of the Class and Subclass; and (i) a number of depositions. Accordingly, both the
15 Plaintiffs and Defendants were well-positioned to evaluate the settlement value of this Action. The
16 Stipulation has been entered into in good faith and is not collusive.

17 (ii) If the Settlement had not been achieved, both Plaintiffs and Defendants faced the
18 expense, risk, and uncertainty of extended litigation. The Court takes no position on the merits of either
19 Plaintiffs' or Defendants' arguments, but notes these arguments as evidence in support of the
20 reasonableness of the Settlement.

21 G. Plaintiffs and Plaintiffs' Counsel have fairly and adequately represented the interest of
22 the Class Members and Subclass Members in connection with the Settlement.

23 H. Plaintiffs, all Class Members, and Defendants are hereby bound by the terms of the
24 Settlement set forth in the Stipulation.

25 **IT IS HEREBY ORDERED THAT:**

26 1. The Settlement on the terms set forth in the Stipulation is finally approved as fair,
27 reasonable, and adequate. The Settlement shall be consummated in accordance with the terms and
28

1 provisions of the Stipulation. The Parties are to bear their own costs, except as otherwise provided in
2 the Stipulation.

3 2. All Released Parties as defined in the Stipulation are released in accordance with, and as
4 defined in, the Stipulation.

5 3. Upon the Effective Date, Plaintiffs and each Class Member and Subclass Member shall
6 be deemed to have, and by operation of this Final Judgment shall have, fully, finally, and forever
7 released, relinquished, and discharged all Settled Claims against the Released Parties, whether or not
8 such Class Member or Subclass Member executes and delivers a Proof of Claim and Release.

9 4. Upon the Effective Date, each of the Released Parties shall be deemed to have, and by
10 operation of this Final Judgment shall have, fully, finally, and forever released Plaintiffs, Plaintiffs'
11 Counsel, and each and all of the Class Members and Subclass Members from all Settled Defendants'
12 Claims.

13 5. All Class Members and Subclass Members who have not made their objections to the
14 Settlement in the manner provided in the Notice of Proposed Settlement of Class Action ("Notice") are
15 deemed to have waived any objections by appeal, collateral attack, or otherwise.

16 6. All Class Members and Subclass Members who have failed to properly submit requests
17 for exclusion (requests to opt out) from the Class are bound by the terms and conditions of the
18 Stipulation and this Final Judgment.

19 7. The requests for exclusion by the persons or entities identified in Exhibit A to this Final
20 Judgment are accepted by the Court.

21 8. All other provisions of the Stipulation are incorporated into this Final Judgment as if
22 fully rewritten herein.

23 9. Plaintiffs and all Class Members and Subclass Members are hereby barred and enjoined
24 from instituting, commencing, maintaining, or prosecuting in any court or tribunal any of the Settled
25 Claims against any of the Released Parties.

26 10. Neither the Stipulation nor the Settlement, nor any act performed or document executed
27 pursuant to or in furtherance of the Stipulation or the Settlement:

28

1 (a) shall be offered or received against Defendants as evidence of a presumption,
2 concession, or admission with respect to any liability, negligence, fault, or wrongdoing, or in any way
3 referred to for any other reason as against Defendants, in any other civil, criminal, or administrative
4 action or proceeding, other than such proceedings as may be necessary to effectuate the provisions of
5 the Stipulation; however, Defendants may refer to it to effectuate the liability protection granted them
6 hereunder;

7 (b) shall be construed as or received in evidence as an admission, concession, or
8 presumption against Plaintiffs or any of the Class Members or Subclass Members that any of their
9 claims are without merit, or that any defenses asserted by Defendants have any merit, or that damages
10 recoverable in this Action, or any subsequent operative complaint filed in this Action would have
11 exceeded the Settlement Fund; and

12 (c) Notwithstanding the foregoing, Defendants, Plaintiffs, Class Members and/or the
13 Released Parties may file the Stipulation and/or this Final Judgment in any action that may be brought
14 against them in order to support a defense or counterclaim based on principles of *res judicata*, collateral
15 estoppel, release, good faith settlement, judgment bar or reduction or any other theory of claim
16 preclusion or issue preclusion or similar defense or counterclaim.

17 11. The Court hereby finds and concludes that the Action was brought, prosecuted and/or
18 defended in good faith, with a reasonable basis.

19 12. Pursuant to and in full compliance with California law, this Court hereby finds and
20 concludes that due and adequate notice was directed to all Persons and entities who are Class Members
21 and Subclass Members advising them of the Plan of Allocation and of their right to object thereto, and a
22 full and fair opportunity was accorded to all Persons and entities who are Class Members and Subclass
23 Members to be heard with respect to the Plan of Allocation.

24 13. The Court hereby finds and concludes that the formula for the calculation of the claims
25 of Authorized Claimants, which is set forth in the Notice sent to Class Members and Subclass Members,
26 provides a fair and reasonable basis upon which to allocate the proceeds of the Net Settlement Fund
27 established by the Stipulation among Class Members and Subclass Members, with due consideration
28 having been given to administrative convenience and necessity.

1 14. The Court hereby awards Plaintiffs' Counsel attorneys' fees of \$_____, plus Lead
2 Counsel's expenses in the amount of \$_____, together with the interest earned thereon for the
3 same time period and at the same rate as that earned on the Settlement Fund until paid. The Court finds
4 that the amount of fees awarded is appropriate and that the amount of fees awarded is fair and
5 reasonable given the contingent nature of the case and the substantial risks of non-recovery, the time
6 and effort involved, and the result obtained for the Class and Subclass.

7 15. The awarded attorneys' fees and expenses and interest earned thereon shall immediately
8 be paid to Lead Counsel from the Settlement Fund subject to the terms, conditions, and obligations of
9 the Stipulation, which terms, conditions, and obligations are incorporated herein.

10 16. Time and expenses are awarded to Plaintiffs Jeffrey L. Pytel and Jackie L. Nunez, in the
11 amounts of \$_____ and \$_____, respectively. Such payment is appropriate considering their active
12 participation as Plaintiffs in this Action, as attested to by the declarations submitted to the Court. Such
13 payment is to be made from the Settlement Fund.

14 17. In the event that the Stipulation is terminated in accordance with its terms: (i) this Final
15 Judgment shall be rendered null and void and shall be vacated *nunc pro tunc*; and (ii) this Action shall
16 proceed as provided in the Stipulation.

17 18. Without affecting the finality of this Final Judgment in any way, this Court retains
18 continuing jurisdiction over: (a) implementation of this Settlement and any award or distribution of the
19 Settlement Fund, including interest earned thereon; (b) disposition of the Settlement Fund; (c) hearing
20 and determining applications for attorneys' fees, interest, and expenses in the Action; and (d) all parties
21 hereto for the purpose of construing, enforcing, and administering the Stipulation.

22 IT IS SO ORDERED.

23 DATED: _____

HONORABLE MARIE S. WEINER
JUDGE OF THE SUPERIOR COURT