

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

IN RE SUNRUN INC. SECURITIES
LITIGATION

) Case No. 3:17-cv-02537-VC
)
) CLASS ACTION
)
) NOTICE OF PENDENCY AND PROPOSED
) SETTLEMENT OF CLASS ACTION
)

**TO: ALL PERSONS AND ENTITIES WHO PURCHASED OR OTHERWISE ACQUIRED
SUNRUN INC. (“SUNRUN”) SECURITIES BETWEEN SEPTEMBER 16, 2015 AND MAY
21, 2017, INCLUSIVE**

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. YOUR RIGHTS MAY BE AFFECTED BY PROCEEDINGS IN THIS LITIGATION. PLEASE NOTE THAT IF YOU ARE A CLASS MEMBER, YOU MAY BE ENTITLED TO SHARE IN THE PROCEEDS OF THE SETTLEMENT DESCRIBED IN THIS NOTICE. TO CLAIM YOUR SHARE OF THIS FUND, YOU MUST SUBMIT A VALID PROOF OF CLAIM AND RELEASE FORM (“PROOF OF CLAIM AND RELEASE”) **POSTMARKED OR SUBMITTED ONLINE ON OR BEFORE MARCH 4, 2019.**

This Notice of Pendency and Proposed Settlement of Class Action (“Notice”) has been sent to you pursuant to Rule 23 of the Federal Rules of Civil Procedure and an Order of the United States District Court for the Northern District of California (the “Court”). The purpose of this Notice is to inform you of the proposed settlement of the case entitled *In re Sunrun Inc. Securities Litigation*, Case No. 3:17-cv-02537-VC (the “Litigation”) and of the hearing (the “Settlement Hearing”) to be held by the Court to consider the fairness, reasonableness, and adequacy of the settlement as set forth in the Stipulation of Settlement between Lead Plaintiffs and Defendants, dated as of September 27, 2018 (the “Stipulation”), on file with the Court.¹

This Notice is not intended to be, and should not be construed as, an expression of any opinion by the Court with respect to the truth of the allegations in the Litigation as to any of the Defendants or the merits of the claims or defenses asserted by or against Defendants. This Notice is solely to advise you of the proposed settlement of the Litigation and of your rights in connection therewith.

This Notice summarizes the proposed settlement. For the precise terms and conditions of the settlement, please see the Stipulation, available at www.sunrunsecuritiesclassaction.com, by contacting Lead Counsel at (212) 661-1100, by accessing the Court docket in this case through the Court’s Public Access to Court Electronic Records (PACER) system at <https://ecf.cand.uscourts.gov>, or by visiting the office of the Clerk of the Court for the United States District Court for the Northern District of California, San Francisco Division, 450 Golden Gate Avenue, San Francisco, California 94102, between 9:00 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays.

**PLEASE DO NOT TELEPHONE THE COURT OR THE COURT CLERK’S OFFICE TO
INQUIRE ABOUT THIS SETTLEMENT OR THE CLAIM PROCESS.**

¹ All capitalized terms used in this Notice that are not otherwise defined herein shall have the meanings provided in the Stipulation, which is available on the settlement website, www.sunrunsecuritiesclassaction.com.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
SUBMIT A PROOF OF CLAIM AND RELEASE	The only way to receive a payment. Proof of Claim and Release forms must be postmarked or submitted online on or before March 4, 2019 .
EXCLUDE YOURSELF	Receive no payment. This is the only option that allows you to ever be part of any other lawsuit against the Defendants or any other Released Persons about the legal claims related to the issues raised in this Litigation. Exclusions must be received no later than February 7, 2019 .
OBJECT	Write to the Court about why you oppose the settlement, the Plan of Allocation, the request for attorneys' fees and expenses, and/or the expenses of Lead Plaintiffs. You will still be a Member of the Class. Objections must be received by the Court and counsel on or before February 7, 2019 .
GO TO A HEARING	Ask to speak in Court about the fairness of the settlement. Requests to speak must be received by the Court on or before February 7, 2019 .
DO NOTHING	Receive no payment. Give up your rights.

SUMMARY OF THIS NOTICE

Statement of Class Recovery

The proposed settlement will result in the creation of a cash settlement fund in the principal amount of two million five hundred thousand U.S. dollars (\$2,500,000.00), plus any interest that may accrue thereon (the "Settlement Fund").

The Settlement Fund, subject to deduction for, among other things, costs of class notice and administration, certain taxes and tax related expenses, and attorneys' fees and expenses and any award to Lead Plaintiffs as approved by the Court, will be available for distribution to Authorized Claimants. Your recovery from this fund will depend on a number of variables, including the number of shares of Sunrun securities you purchased or otherwise acquired between September 16, 2015 and May 21, 2017, inclusive, and the timing of your purchases, acquisitions and any sales. In the unlikely event that 100% of the eligible securities of Sunrun purchased or otherwise acquired by Class Members and entitled to a distribution under the Plan of Allocation described below participate in the settlement, the estimated average distribution per share of Sunrun securities will be approximately \$.037 before deduction of Court-approved fees and expenses. Historically, actual claim rates are lower than 100%, resulting in higher per-share distributions.

Statement of Potential Outcome of Litigation

Lead Plaintiffs and Defendants do not agree on the average amount of damages per share, if any, that would have been recoverable if Lead Plaintiffs were to have prevailed on each claim alleged. Defendants deny that they are liable in any respect or that Lead Plaintiffs or the Class suffered any injury. The issues on which the parties disagree are many, but include: (1) whether Defendants engaged in conduct that would give rise to any liability to the Class under the federal securities laws, or any other

laws; (2) whether Defendants have valid defenses to any such claims of liability; (3) the appropriate economic model for determining the amount by which the price of Sunrun securities was allegedly artificially inflated (if at all) during the Class Period; (4) the amount by which the price of Sunrun securities was allegedly artificially inflated (if at all) during the Class Period; (5) the effect of various market forces on the price of Sunrun securities at various times during the Class Period; (6) the extent to which external factors influenced the price of Sunrun securities at various times during the Class Period; (7) the extent to which the various matters that Lead Plaintiffs alleged were materially false or misleading influenced (if at all) the price of Sunrun securities at various times during the Class Period; (8) the extent to which the various allegedly adverse material facts that Lead Plaintiffs alleged were omitted influenced (if at all) the price of Sunrun securities at various times during the Class Period; and (9) the extent to which Lead Plaintiffs or the Class were harmed or damaged (if at all) by the conduct alleged in the Litigation or that could have been alleged in the Litigation.

Statement of Attorneys' Fees and Expenses Sought

Lead Counsel have not received any payment for their services in conducting this Litigation on behalf of Lead Plaintiffs and the Members of the Class, nor have they been paid for their litigation expenses. If the settlement is approved by the Court, Lead Counsel will apply to the Court for attorneys' fees of 30% of the Settlement Amount and expenses not to exceed \$104,000, and Class Representative fees not to exceed \$12,500 total, plus interest thereon, to be paid from the Settlement Fund. Collectively, the requested attorneys' fees and litigation expenses and class representative awards are approximately \$0.013 per alleged damaged share of Sunrun common stock.

Reasons for Settlement

Lead Plaintiffs believe that the proposed settlement is a good recovery and is in the best interests of the Class. The Court granted Defendants' motions to dismiss the Amended Complaint and the Second Amended Complaint in this Litigation. Because of the risks associated with continuing to litigate and proceeding to trial, there was a danger that the Class would not have prevailed on any of its claims, in which case the Class would receive nothing. Also, the amount of damages recoverable by the Class was and is challenged by Defendants. Recoverable damages in this case are limited to losses caused by conduct actionable under applicable law and, had the Litigation gone to trial, Defendants would have asserted that any losses of Class Members were caused by non-actionable market, industry, or general economic factors. Defendants also would have asserted that throughout the Class Period, the uncertainties and risks associated with the purchase or acquisition of Sunrun securities were fully and adequately disclosed. The proposed settlement provides a certain benefit to Class Members and will avoid the years of delay that would likely occur in the event of a contested trial and appeals.

Further Information

For further information regarding this settlement, you may contact a representative of Lead Counsel:

Jeremy A. Lieberman
POMERANTZ LLP
600 Third Avenue, Floor 20
New York, New York 10016
Telephone: (212) 661-1100
Facsimile: (917) 463-1044
Email: jalieberman@pomlaw.com

Definitions Used in This Notice

As used in this Notice, the following terms have the meanings specified below. Any capitalized terms not specifically defined in this Notice shall have the meanings set forth in the Stipulation. In the

event of any inconsistency between any definition set forth below or elsewhere in this Notice and any definition set forth in the Stipulation, the definition set forth in the Stipulation shall control.

1. “Authorized Claimant” means any Class Member whose claim for recovery has been allowed pursuant to the terms of the Stipulation.
2. “Claims Administrator” means the firm of Strategic Claims Services.
3. “Class” means, for the purposes of settlement only, all Persons and entities who purchased or otherwise acquired Sunrun securities between September 16, 2015 and May 21, 2017, inclusive. Excluded from the Class are the Defendants and their immediate families, the directors and officers of Sunrun at all relevant times, and their legal representatives, heirs, successors or assigns, and any entity in which Defendants have a controlling interest. Also excluded from the Class are those Persons who timely and validly request exclusion from the Class.
4. “Class Member” or “Member of the Class” means a Person who falls within the definition of the Class as set forth above.
5. “Class Period” means the period from September 16, 2015 through May 21, 2017, inclusive.
6. “Defendants” means Sunrun and the Individual Defendants.
7. “Effective Date,” or the date upon which this settlement becomes “effective,” means the date by which all of the events and conditions specified in ¶7.1 of the Stipulation have been met and have occurred.
8. “Escrow Agent” means Huntington Bank or its successor.
9. “Individual Defendants” means Lynn Michelle Jurich and Robert Patrick Komin, Jr.
10. “Judgment” means the Final Judgment and Order of Dismissal with Prejudice to be rendered by the Court, substantially in the form attached to the Stipulation as Exhibit B.
11. “Lead Counsel” means Pomerantz LLP, 468 North Camden Drive, Beverly Hills, California 90210.
12. “Lead Plaintiffs” means Ricky Elmore, Dmitri Karpov, William McCormick, Joseph McIntire, and Alice Twomey.
13. “Litigation” means the action captioned *In re Sunrun Inc. Securities Litigation*, Case No. 3:17-cv-02537-VC (N.D. Cal.).
14. “Net Settlement Fund” means the Settlement Fund, less any attorneys’ fees, expenses, and any award to Lead Plaintiffs provided for herein or approved by the Court, and less Notice and Administration Expenses, Taxes and Tax Expenses, and other Court-approved deductions.
15. “Notice and Administration Expenses” means reasonable costs and expenses incurred in connection with providing notice to the Class, locating Class Members, soliciting claims, assisting with the submission of claims, processing Proof of Claim and Release forms, administering and distributing the Net Settlement Fund to Authorized Claimants, and paying escrow fees and costs, if any.
16. “Person” means an individual, corporation, limited liability corporation, professional corporation, partnership, limited partnership, limited liability partnership, association, joint stock company, joint venture, estate, legal representative, trust, unincorporated association, government or any political subdivision or agency thereof, and any business or legal entity and their spouses, heirs, predecessors, successors, representatives, or assigns.
17. “Plan of Allocation” means a plan or formula of allocation of the Net Settlement Fund whereby the Net Settlement Fund shall be distributed to Authorized Claimants. Any Plan of Allocation is not part of the Stipulation and neither Defendants nor their Related Parties shall have any responsibility or liability with respect thereto. Any order or proceeding relating to the Plan of Allocation shall not operate to terminate or cancel the Stipulation or affect the finality of the Judgment. Defendants will have no role in formulating the Plan of Allocation or administering it.
18. “Related Parties” means each of a Defendant’s respective present and former parents, subsidiaries, divisions, joint ventures, affiliates, and each of their and Defendants’ respective present and

former employees, members, partners, principals, agents, officers, directors, controlling shareholders, attorneys, advisors, accountants, auditors, financial or investment advisors or consultants, banks or investment bankers, personal or legal representatives, insurers, co-insurers, reinsurers, related or affiliated entities, predecessors, successors, spouses, estates, heirs, executors, trusts, trustees, administrators, agents, representatives, and assigns, in their capacity as such, any entity in which a Defendant has a controlling interest, any member of an Individual Defendant's immediate family, and any trust in which any Individual Defendant is the settlor or which is for the benefit of any Defendant and/or member(s) of his family.

19. "Released Claims" means any and all claims and causes of action of every nature and description whatsoever, whether known or unknown, whether arising under federal, state, common or foreign law, and/or whether class or individual in nature, that Lead Plaintiffs or any other Member of the Class asserted in the Litigation or could have asserted in any forum that (a) arise out of, are based upon, or relate to in any way to any of the allegations, acts, transactions, facts, events, matters, occurrences, representations or omissions involved, set forth, alleged or referred to, in this Litigation, or which could have been alleged in this Litigation, and (b) arise out of, are based upon, or relate to in any way the purchase, acquisition, holding, sale or disposition of Sunrun securities during the Class Period. "Released Claims" includes "Unknown Claims" as defined below.

20. "Released Persons" means each and all of the Defendants and their Related Parties.

21. "Settlement Amount" means two million five hundred thousand U.S. dollars (\$2,500,000.00) in cash to be paid to the Escrow Agent by wire transfer, check, or as otherwise agreed pursuant to ¶2.1 of the Stipulation.

22. "Settlement Fund" means the Settlement Amount, plus all interest and accretions thereto, and which may be reduced by payments or deductions as provided herein or by Court order.

23. "Settlement Hearing" means the hearing to be held by the Court to determine whether the proposed Settlement is fair, reasonable, and adequate and should be approved.

24. "Settling Parties" means, collectively, Defendants, Lead Plaintiffs, and the Class.

25. "Sunrun" means Sunrun Inc.

26. "Tax" or "Taxes" mean any and all taxes, fees, levies, duties, tariffs, imposts, and other charges of any kind (together with any and all interest, penalties, additions to tax and additional amounts imposed with respect thereto) imposed by any governmental authority.

27. "Unknown Claims" means any Released Claims which Lead Plaintiffs or Class Members do not know or suspect to exist in his, her, their, or its favor at the time of the release of the Released Persons which, if known by him, her, them, or it, might have affected his, her, their, or its settlement with and release of the Released Persons, or might have affected his, her, their, or its decision not to object to this settlement or seek exclusion from the Class. With respect to any and all Released Claims, the Settling Parties stipulate and agree that, upon the Effective Date, Lead Plaintiffs shall expressly waive and each of the Class Members shall be deemed to have, and by operation of the Judgment shall have, expressly waived the provisions, rights, and benefits of California Civil Code §1542 and any law of any state or territory of the United States, or principle of common law, which is similar, comparable, or equivalent to California Civil Code §1542, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her 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.

Lead Plaintiffs and Class Members may hereafter discover facts in addition to or different from those which he, she, they, or it now knows or believes to be true with respect to the subject matter of the Released Claims, but Lead Plaintiffs shall expressly settle and release and each Class Member, upon the Effective Date, shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever settled and released any and all Released Claims, known or unknown, suspected or unsuspected,

contingent or non-contingent, disclosed or undisclosed, matured or unmatured, 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. Lead Plaintiffs acknowledge, and the Class Members shall be deemed by operation of the Judgment to have acknowledged, that the foregoing waiver was separately bargained for and a key element of the settlement of which this release is a part.

BASIC INFORMATION

1. Why did I get this notice package?

You or someone in your family may have purchased or acquired Sunrun securities during the time period from September 16, 2015 through May 21, 2017, inclusive (“Class Period”).

The Court directed that this Notice be sent to Class Members because they have a right to know about the proposed settlement of this class action lawsuit, and about all of their options, before the Court decides whether to approve the settlement.

This Notice explains the class action lawsuit, the settlement, Class Members’ legal rights, what benefits are available, who is eligible for them, and how to get them.

2. What is this lawsuit about?

Lead Plaintiffs brought this Litigation as a securities class action against Sunrun and certain of its officers and directors (the “Individual Defendants,” and collectively with Sunrun, the “Defendants”). Lead Plaintiffs generally allege that Sunrun, a solar power company that sells and maintains residential solar energy systems in the United States, misled investors about one of its key operating metrics – the amount of electricity that the Company had contracted to sell each quarter – in violation of §§10(b) and 20(a) of the Securities Exchange Act of 1934 (the “Exchange Act”). Defendants deny these allegations.

The issuance of this Notice is NOT an expression of the Court’s opinion on the merits or the lack of merits of any of Lead Plaintiffs’ claims in the Litigation or whether Defendants engaged in any wrongdoing.

To learn more about what has happened in this Litigation to date, including a detailed history, please see the Stipulation, which is available at www.sunrunsecuritiesclassaction.com. Instructions on how to learn more information are also included in Section 26 below.

3. Why is this a class action?

In a class action, one or more people called a plaintiff sues on behalf of people who have similar claims. All of the people with similar claims are referred to as a class or class members. One court resolves the issues for all class members, except for those class members who exclude themselves from the class.

4. Why is there a settlement?

Lead Plaintiffs made claims against Defendants on behalf of the Class. Defendants deny that they have done anything wrong or violated any statute and admit no liability. The Court has not decided in

favor of Defendants or the Class. Instead, both sides agreed to the settlement to avoid the costs and risks of further litigation, including trial and post-trial appeals, and Lead Plaintiffs have agreed to the settlement in order to ensure that Class Members will receive compensation. Lead Plaintiffs and Lead Counsel believe the settlement is in the best interest of all Class Members in light of the real possibility that continued litigation could result in no recovery at all.

WHO IS IN THE SETTLEMENT

To see if you will get money from this settlement, you first have to decide if you are a Class Member.

5. How do I know if I am part of the settlement?

The Court directed that everyone who fits this description is a Class Member: *all Persons and entities who purchased or otherwise acquired Sunrun securities between September 16, 2015 and May 21, 2017, inclusive*, except those Persons and entities that are excluded, as described below.

6. Are there exceptions to being included?

Excluded from the Class are the Defendants and their immediate families, the directors and officers of Sunrun at all relevant times, and their legal representatives, heirs, successors or assigns, and any entity in which Defendants have a controlling interest. Also excluded from the Class are those Persons who timely and validly request exclusion from the Class.

7. What if I am still not sure if I am included?

If you are still not sure whether you are included, you can ask for free help. You can contact the Claims Administrator toll-free at (866) 274-4004, by email at info@strategicclaims.net, or you can fill out and return the Proof of Claim and Release enclosed with this Notice package, to see if you qualify.

THE SETTLEMENT BENEFITS – WHAT YOU GET

8. What does the settlement provide?

A settlement has been reached in the Litigation between Lead Plaintiffs and Defendants, the terms and conditions of which are set forth in the Stipulation and the Exhibits thereto. The following description of the proposed settlement is only a summary, and reference is made to the text of the Stipulation, on file with the Court or accessible at www.sunrunsecuritiesclassaction.com, for a full statement of its provisions.

The Settlement Fund consists of two million five hundred thousand U.S. dollars (\$2,500,000.00) in cash, plus any interest earned thereon.

A portion of the settlement proceeds will be used to pay attorneys' fees and expenses to Lead Counsel and Lead Plaintiffs' expenses, to pay for this Notice and the processing of claims submitted by Class Members, and to pay Taxes and Tax Expenses. The balance of the Settlement Fund (the "Net Settlement Fund") will be distributed, in accordance with the Plan of Allocation described below, to Class Members who submit valid and timely Proof of Claim and Release forms.

The effectiveness of the settlement is subject to a number of conditions, and reference to the Stipulation is made for further particulars regarding these conditions.

9. How much will my payment be?

Your share of the fund will depend on several things, including how many Class Members submit a timely and valid Proof of Claim and Release, the total dollar amount of the claims represented by the valid Proof of Claim and Release forms that Class Members send in, the number of shares of Sunrun securities you purchased or acquired, how much you paid for the securities, when you purchased or acquired them, and if you sold your securities and for how much.

By following the instructions in the Plan of Allocation, you can calculate your claim. It is unlikely that you will get a payment for the full amount of your claim. After all Class Members have sent in their Proof of Claim and Release forms, the payment you get will be a part of the Net Settlement Fund equal to your claim divided by the total of all valid claimants' claims. *See* the Plan of Allocation at pages 13-17 hereof for more information on your claim.

10. How can I receive a payment?

You may submit a Proof of Claim and Release as described below. If you choose this option, you will share in the proceeds of the proposed settlement if your claim is timely, valid, and entitled to a distribution under the Plan of Allocation described below and if the proposed settlement is finally approved by the Court; and you will be bound by the Judgment and release to be entered by the Court as described below.

TO PARTICIPATE IN THE DISTRIBUTION OF THE NET SETTLEMENT FUND, YOU MUST TIMELY SUBMIT A PROOF OF CLAIM AND RELEASE. A Proof of Claim and Release is enclosed with this Notice or it may be downloaded at www.sunrunsecuritiesclassaction.com. Read the instructions carefully, fill out the Proof of Claim and Release, include all the documents the form asks for, sign it, and mail it or submit it online so that it is postmarked or received no later than March 4, 2019 to the Claims Administrator at: Sunrun Inc. Securities Litigation, c/o Strategic Claims Services, 600 N. Jackson Street, Suite 205, P.O. Box 230, Media, PA 19063; Fax: (610) 565-7985; Email: info@strategicclaims.net. The claim form may be submitted online at www.sunrunsecuritiesclassaction.com. Unless the Court orders otherwise, if you do not timely submit a valid Proof of Claim and Release, you will be barred from receiving any payments from the Net Settlement Fund, but will in all other respects be bound by the provisions of the Stipulation and the Judgment.

11. When would I receive my payment?

The Court will hold a Settlement Hearing on February 28, 2019, to decide whether to approve the settlement. If the Court approves the settlement after that, there might be appeals. It is always uncertain whether these appeals can be resolved, and resolving them can take time, perhaps more than a year. It also takes time for all the Proof of Claim and Release forms to be processed. Please be patient.

12. What am I giving up to receive a payment or to stay in the Class?

If you do not make a valid and timely request in writing to be excluded from the Class, you will be bound by any and all determinations or judgments in the Litigation in connection with the settlement entered into or approved by the Court, whether favorable or unfavorable to the Class, and you shall be deemed to have, and by operation of the Judgment shall have, fully released all of the Released Claims against the Released Persons, whether or not you submit a valid Proof of Claim and Release.

EXCLUDING YOURSELF FROM THE CLASS

13. How do I get out of the proposed settlement?

If you do not wish to be included in the Class and you do not wish to participate in the proposed settlement described in this Notice, you may request to be excluded. ***If you are requesting exclusion because you want to bring your own lawsuit based on the matters alleged in this Litigation, you may want to consult an attorney and discuss whether any individual claim that you may wish to pursue would be time-barred by the applicable statutes of limitations or repose.***

If you wish to be excluded, you must mail a written request stating that you wish to be excluded from the Class to:

Sunrun Inc. Securities Litigation
c/o Strategic Claims Services
600 N. Jackson Street, Suite 205
P.O. Box 230
Media, PA 19063

The request for exclusion must: (1) include your name, address, and telephone number; (2) state that you wish to be “excluded from the Class and do not wish to participate in the settlement in *In re Sunrun Inc. Securities Litigation*, Case No. 3:17-cv-02537-VC (N.D. Cal.)”; (3) state the date(s), price(s), and amount(s) of Sunrun securities that you purchased, sold, or otherwise acquired or disposed of during the period September 16, 2015 through May 21, 2017, inclusive; and (4) be signed by you or your representative. ***YOUR EXCLUSION REQUEST MUST BE RECEIVED NO LATER THAN FEBRUARY 7, 2019.*** No request for exclusion will be considered valid unless all of the information described above is included in any such request. No further opportunity to request exclusion will be given in this Litigation. If you choose to be excluded from the Class, (a) you are not entitled to share in the proceeds of the settlement described herein; (b) you are not bound by any judgment entered in the Litigation; and (c) you are not precluded by the settlement from otherwise prosecuting an individual claim against Defendants, if timely, based on the matters complained of in the Litigation.

14. If I do not exclude myself, can I sue the Defendants and the other Released Persons for the same thing later?

No. Unless you exclude yourself, you give up any rights to sue the Defendants and the other Released Persons for any and all Released Claims. If you have a pending lawsuit against the Released Persons, speak to your lawyer in that case immediately. You must exclude yourself from this Litigation to continue your own lawsuit. Remember, the exclusion deadline is February 7, 2019.

15. If I exclude myself, can I get money from the proposed settlement?

No. If you exclude yourself, you may not send in a Proof of Claim and Release to ask for any money. But, you may be able to sue or be part of a different lawsuit against the Defendants and the other Released Persons about the claims raised in this Litigation.

THE LAWYERS REPRESENTING YOU

16. Do I have a lawyer in this case?

The Court ordered that the law firm of Pomerantz LLP represents the Class, including you. These lawyers are called Lead Counsel. You will not be charged for these lawyers. They will be paid from the Settlement Fund to the extent the Court approves their application for fees and expenses. If you want to be represented by your own lawyer, you may hire one at your own expense.

17. How will the lawyers be paid?

At the Settlement Hearing, Lead Counsel will request the Court to award attorneys' fees of 30% of the Settlement Amount, plus expenses not to exceed \$104,000, plus interest thereon. In addition, the Lead Plaintiffs may seek up to \$12,500 in expenses (including lost wages) incurred in representing the Class. Such sums as may be approved by the Court will be paid from the Settlement Fund. Class Members are not personally liable for any such fees or expenses.

To date, Lead Counsel have not received any payment for their services in conducting this Litigation on behalf of the Lead Plaintiffs and the Class, nor have counsel been paid their expenses. The fee requested by Lead Counsel will compensate counsel for their efforts in achieving the settlement for the benefit of the Class, and for their risk in undertaking this representation on a wholly contingent basis. Lead Counsel believe that the fee requested is well within the range of fees awarded to plaintiffs' counsel under similar circumstances in other litigation of this type. The fee to be requested has been approved by Lead Plaintiffs.

18. Can I hire my own lawyer?

If you are a Class Member, you may, but are not required to, enter an appearance through counsel of your own choosing and at your own expense, provided that such counsel must file an appearance on your behalf on or before February 7, 2019, and must serve copies of such appearance on the attorneys listed below. If you do not enter an appearance through counsel of your own choosing, you will be represented by Lead Counsel.

LEAD COUNSEL

Jeremy A. Lieberman
POMERANTZ LLP
600 Third Avenue, Floor 20
New York, New York 10016

COUNSEL FOR DEFENDANTS

Fenwick & West LLP
Susan S. Muck
555 California Street
12th Floor
San Francisco, CA 94104

OBJECTING TO THE SETTLEMENT

19. How do I tell the Court that I object to the proposed settlement?

Any Class Member who objects to any aspect of the settlement, the Plan of Allocation, the application for attorneys' fees and expenses, or Lead Plaintiffs' time and expense request, may appear and be heard at the Settlement Hearing.

The Court can only approve or deny the settlement, not change its terms. You can ask the Court to deny approval by filing an objection.

You may object to the proposed settlement in writing. You may also appear at the Settlement Hearing, either in person or through your own attorney. If you appear through your own attorney, you are responsible for paying that attorney. All written objections and supporting papers must (a) clearly identify the case name and number (*In re Sunrun Inc. Securities Litigation*, Case No. 3:17-cv-02537-VC (N.D. Cal.)), or (b) be submitted to the Court either by mailing them to the Class Action Clerk, United States District Court for the Northern District of California, San Francisco Courthouse, 450 Golden Gate Avenue, Box 36060, San Francisco, California 94102-3489, or by filing them in person at any location of the United States District Court for the Northern District of California. Such objections, papers, and briefs must be received or filed, not simply postmarked, on or before February 7, 2019.

The notice of objection must demonstrate the objecting Person's membership in the Class, including the number of shares of Sunrun securities purchased, otherwise acquired and sold during the Class Period and contain a statement of the reasons for objection. Only Members of the Class who have submitted written notices of objection in this manner will be entitled to be heard at the Settlement Hearing, unless the Court orders otherwise. Any Member of the Class who does not make his, her or its objection in the manner and time provided shall be deemed to have waived such objection and shall forever be foreclosed from making any objection to the fairness or adequacy of the proposed settlement as set forth in the Stipulation, to the Plan of Allocation, or to the award of attorneys' fees and expenses to Lead Counsel or expenses of Lead Plaintiffs, unless otherwise ordered by the Court.

20. What is the difference between objecting and excluding myself?

Objecting is simply telling the Court that you do not like something about the proposed settlement, the Plan of Allocation, the fee and expense application of Lead Counsel, or Lead Plaintiffs' time and expense request. 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.

THE COURT'S SETTLEMENT HEARING

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

The Settlement Hearing will be held on February 28, 2019, at 10:00 a.m., before the Honorable Vince Chhabria, United States District Judge, at the United States District Court for the Northern District of California, San Francisco Courthouse, Courtroom 4 – 17th Floor, 450 Golden Gate Avenue, San Francisco, California 94102. The purpose of the Settlement Hearing will be to determine: (1) whether the proposed settlement, as set forth in the Stipulation, consisting of two million five hundred thousand U.S. dollars (\$2,500,000.00) in cash, should be approved as fair, reasonable, and adequate to the Members of the Class; (2) whether the proposed plan to distribute the settlement proceeds (the "Plan of Allocation") is fair, reasonable, and adequate; (3) whether the application by Lead Counsel for an award of attorneys' fees and expenses and the expenses of Lead Plaintiffs should be approved; and (4) whether the Judgment, in the form attached to the Stipulation, should be entered. **The Court may adjourn the Settlement Hearing from time to time and without further notice to the Class. Class Members should check the settlement website or the Court's PACER site (see Question 26 below) to confirm that the date of the Settlement Hearing has not been changed.**

22. Do I have to come to the hearing?

No. Lead Counsel will answer questions the Court may have. But, you are welcome to come at your own expense. If you send an objection or statement in support of the settlement, you are not required to come to Court to discuss it. As long as you mailed your objection on time, the Court will consider it. You may also pay your own lawyer to attend, but you are not required to do so. Class Members do not need to appear at the hearing or take any other action to indicate their approval.

23. May I speak at the hearing?

If you object to the settlement, the Plan of Allocation, the fee and expense application of Lead Counsel, or Lead Plaintiffs' time and expense request, you may ask the Court for permission to speak at the Settlement Hearing. To do so, you must include in your objection (*see* Question 19 above) a statement saying that it is your "Notice of Intention to Appear in the *Sunrun Securities Litigation*." Persons who intend to object to the settlement, the Plan of Allocation, the fee and cost application, and/or Lead Plaintiffs' time and expense request and desire to present evidence at the Settlement Hearing must include in their written objections the identity of any witnesses they may call to testify and exhibits they intend to introduce into evidence at the Settlement Hearing. If you wish to speak at the Settlement Hearing but fail to provide the written notice described above, the Court may excuse the written notice requirement and allow you to speak upon a showing of good cause. You cannot speak at the hearing if you exclude yourself.

24. What happens if I do nothing at all?

You may do nothing at all. If you choose this option, you will not share in the proceeds of the settlement, but you will be bound by any judgment entered by the Court, and you shall be deemed to have, and by operation of the Judgment shall have, fully released all of the Released Claims against the Released Persons.

DISMISSALS AND RELEASES

25. What happens if the proposed settlement is approved?

If the proposed settlement is approved, the Court will enter a Final Judgment and Order of Dismissal with Prejudice (the "Judgment"). In addition, upon the Effective Date, Lead Plaintiffs and each of the Class Members, for themselves and for any other Person claiming (now or in the future) through or on behalf of them, and regardless of whether any such plaintiff or Class Member ever seeks or obtains by any means, including, without limitation, by submitting a Proof of Claim and Release, any distribution from the Settlement Fund, shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever released, relinquished, and discharged all Released Claims against the Released Persons, and shall be permanently barred from instituting, commencing, or prosecuting any such Released Claim against the Released Persons except to enforce the releases and other terms and conditions contained in the Stipulation or the Judgment entered pursuant thereto.

GETTING MORE INFORMATION

26. How do I get more information about the proposed settlement?

This Notice contains only a summary of the terms of the proposed settlement and does not describe all of the details of the Stipulation. For the precise terms and conditions of the settlement, please see the

Stipulation available at www.sunrunsecuritiesclassaction.com, by contacting Lead Counsel at (212) 661-1100, by accessing the Court docket in this case through the Court's Public Access to Court Electronic Records (PACER) system at <https://ecf.cand.uscourts.gov>, or by visiting the office of the Clerk of the Court for the United States District Court for the Northern District of California, San Francisco Courthouse, 450 Golden Gate Avenue, Box 36060, San Francisco, California 94102-3489, between 9:00 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays. **DO NOT TELEPHONE THE COURT REGARDING THIS NOTICE.**

If you have any questions about the settlement of the Litigation, you may contact Lead Counsel by writing to:

Jeremy A. Lieberman
POMERANTZ LLP
600 Third Avenue, Floor 20
New York, New York 10016

SPECIAL NOTICE TO NOMINEES

Nominees who purchased or otherwise acquired the securities of Sunrun for the beneficial interest of other Persons during the Class Period shall, within ten (10) calendar days after receipt of the Notice: (1) provide the Claims Administrator with the names and addresses of such beneficial owners or (2) forward a copy of this Notice and the Proof of Claim and Release by First-Class Mail to each such beneficial owner, and provide Lead Counsel with written confirmation that the Notice and Proof of Claim and Release have been so forwarded. Upon submission of appropriate documentation, Lead Counsel will reimburse your reasonable costs and expenses of complying with this provision, up to \$0.70 per Notice and Proof of Claim and Release form if the Nominee elects to undertake the mailing of the documents or up to \$0.10 per name if the Nominee provides the names and addresses to the Claims Administrator. Additional copies of this Notice may be obtained from the Claims Administrator by writing to:

Sunrun Inc. Securities Litigation
c/o Strategic Claims Services
600 N. Jackson Street, Suite 205
P.O. Box 230
Media, PA 19063
Tel: (866) 274-4004
Fax: (610) 565-7985
info@strategicclaims.net

PROPOSED PLAN OF ALLOCATION

The Plan of Allocation is a matter separate and apart from the proposed Settlement, and any decision by the Court concerning the Plan of Allocation shall not affect the validity or finality of the proposed Settlement. The Court may approve the Plan of Allocation with or without modifications agreed to among the Parties, or another plan of allocation, without further notice to Class Members. Any orders regarding a modification of the Plan of Allocation will be posted to the settlement website, www.sunrunsecuritiesclassaction.com.

The Claims Administrator shall determine each Authorized Claimant's *pro rata* share of the Net Settlement Fund based upon each Authorized Claimant's Recognized Loss. **Please Note:** The Recognized Loss formula, set forth below, is not intended to be an estimate of the amount of what a Class Member might have been able to recover after a trial, nor is it an estimate of the amount that will be paid

to Authorized Claimants pursuant to the Settlement. The Recognized Loss formula is the basis upon which the Net Settlement Fund will be proportionately allocated to the Authorized Claimants. To the extent there are sufficient funds in the Net Settlement Fund, each Authorized Claimant will receive an amount equal to the Authorized Claimant's Recognized Loss and subject to the provisions in the preceding paragraph. If, however, the amount in the Net Settlement Fund is not sufficient to permit payment of the total Recognized Loss of each Authorized Claimant, then each Authorized Claimant shall be paid the percentage of the Net Settlement Fund that each Authorized Claimant's Recognized Loss bears to the total Recognized Losses of all Authorized Claimants and subject to the provisions in the preceding paragraph (i.e., "*pro rata* share"). Payment in this manner shall be deemed conclusive against all Authorized Claimants. No distribution will be made on a claim where the potential distribution amount is less than ten dollars (\$10.00) in cash.

If any funds remain in the Net Settlement Fund by reason of uncashed checks, or otherwise, after the Claims Administrator has made reasonable and diligent efforts to have Authorized Claimants who are entitled to participate in the distribution of the Net Settlement Fund cash their distribution checks, then any balance remaining in the Net Settlement Fund six (6) months after the initial distribution of such funds shall be used: (i) first, to pay any amounts mistakenly omitted from the initial distribution to Authorized Claimants; (ii) second, to pay any additional Notice and Administration Costs incurred in administering the Settlement; and (iii) finally, to make a second distribution to Authorized Claimants who cashed their checks from the initial distribution and who would receive at least \$10.00 from such second distribution, after payment of the estimated costs or fees to be incurred in administering the Net Settlement Fund and in making this second distribution, if such second distribution is economically feasible. If six (6) months after such second distribution, if undertaken, or if such second distribution is not undertaken, any funds shall remain in the Net Settlement Fund after the Claims Administrator has made reasonable and diligent efforts to have Authorized Claimants who are entitled to participate in this Settlement cash their checks, any funds remaining in the Net Settlement Fund shall be donated to a non-profit charitable organization(s) selected by Lead Counsel.

THE BASIS FOR CALCULATING YOUR RECOGNIZED LOSS:

- (I) **Recognized Loss for the Company's common shares purchased or otherwise acquired during the Class Period will be calculated as follows:**
- (A) For common shares purchased during the Class Period and sold during the Class Period, the Recognized Loss per share will be the *lesser* of: (1) the inflation per share upon purchase (as set forth in Inflation Table A below) less the inflation per share upon sale (as set forth in Inflation Table A below); or (2) the purchase price per share minus the sales price per share.
 - (B) For common shares purchased during the Class Period and retained as of the close of trading on August 19, 2017, the Recognized Loss will be the *lesser* of: (1) the inflation per share upon purchase (as set forth in Inflation Table A below); or (2) the purchase price per share minus \$6.46² per share.
 - (C) For common shares purchased or otherwise acquired during the Class Period and sold during the period May 22, 2017 through August 19, 2017, inclusive, the Recognized Loss will be the *lesser* of: (1) the inflation per share upon purchase (as set forth in

² Pursuant to Section 21(D)(e)(1) of the Private Securities Litigation Reform Act of 1995, "in any private action arising under this title in which the plaintiff seeks to establish damages by reference to the market price of a security, the award of damages to the plaintiff shall not exceed the difference between the purchase or sale price paid or received, as appropriate, by the plaintiff for the subject security and mean trading price of that security during the 90-day period beginning on the date on which the information correcting the misstatement or omission that is the basis for the action is disseminated." \$6.46 per share was the mean (average) daily closing trading price of the Company's common shares during the 90-day period beginning on May 22, 2017 and ending on August 19, 2017.

Inflation Table A below); or (2) the difference between the purchase price per share and the average closing stock price as of date of sale provided in Table B below.

INFLATION TABLE A	
Sunrun Common Shares Purchased During the Class Period	
Period	Inflation
September 16, 2015 to March 10, 2016, inclusive	\$1.71 per share
March 11, 2016 to May 2, 2017, inclusive	\$.78 per share
May 3, 2017 to May 21, 2017, inclusive	\$.19 per share

			Table B			
<u>Date</u>	<u>Closing Price</u>	<u>Average Closing Price</u>		<u>Date</u>	<u>Closing Price</u>	<u>Average Closing Price</u>
5/22/2017	\$4.90	\$4.90		7/7/2017	\$6.79	\$5.85
5/23/2017	\$4.89	\$4.90		7/10/2017	\$6.89	\$5.88
5/24/2017	\$4.92	\$4.90		7/11/2017	\$6.87	\$5.91
5/25/2017	\$4.91	\$4.91		7/12/2017	\$7.06	\$5.94
5/26/2017	\$4.94	\$4.91		7/13/2017	\$6.99	\$5.97
5/30/2017	\$5.02	\$4.93		7/14/2017	\$7.07	\$6.00
5/31/2017	\$5.04	\$4.95		7/17/2017	\$7.01	\$6.03
6/1/2017	\$5.13	\$4.97		7/18/2017	\$7.14	\$6.05
6/2/2017	\$5.12	\$4.99		7/19/2017	\$7.27	\$6.08
6/5/2017	\$5.00	\$4.99		7/20/2017	\$7.25	\$6.11
6/6/2017	\$5.02	\$4.99		7/21/2017	\$7.29	\$6.14
6/7/2017	\$4.93	\$4.99		7/24/2017	\$7.56	\$6.17
6/8/2017	\$5.34	\$5.01		7/25/2017	\$7.35	\$6.20
6/9/2017	\$5.41	\$5.04		7/26/2017	\$7.30	\$6.22
6/12/2017	\$5.44	\$5.07		7/27/2017	\$7.37	\$6.25
6/13/2017	\$5.48	\$5.09		7/28/2017	\$7.48	\$6.27
6/14/2017	\$5.49	\$5.12		7/31/2017	\$7.53	\$6.30
6/15/2017	\$5.52	\$5.14		8/1/2017	\$7.44	\$6.32
6/16/2017	\$5.74	\$5.17		8/2/2017	\$7.19	\$6.34
6/19/2017	\$5.85	\$5.20		8/3/2017	\$7.24	\$6.36
6/20/2017	\$6.36	\$5.26		8/4/2017	\$7.27	\$6.37
6/21/2017	\$6.52	\$5.32		8/7/2017	\$7.42	\$6.39
6/22/2017	\$6.65	\$5.37		8/8/2017	\$7.05	\$6.40
6/23/2017	\$6.75	\$5.43		8/9/2017	\$6.84	\$6.41
6/26/2017	\$6.83	\$5.49		8/10/2017	\$6.69	\$6.42
6/27/2017	\$6.89	\$5.54		8/11/2017	\$6.82	\$6.42
6/28/2017	\$7.10	\$5.60		8/14/2017	\$6.96	\$6.43
6/29/2017	\$7.27	\$5.66		8/15/2017	\$6.94	\$6.44
6/30/2017	\$7.12	\$5.71		8/16/2017	\$6.84	\$6.45
7/3/2017	\$7.24	\$5.76		8/17/2017	\$6.65	\$6.45
7/5/2017	\$6.80	\$5.79		8/18/2017	\$6.85	\$6.46
7/6/2017	\$6.75	\$5.82		8/19/2017	\$6.85	\$6.46

To the extent a claimant had a trading gain or “broke even” from his, her or its overall transactions in the Company’s shares during the Class Period, the value of the Recognized Loss will be zero and the claimant will not be entitled to a share of the Net Settlement Fund. To the extent that a claimant suffered a trading loss on his, her or its overall transactions in the Company’s common shares during the Class Period, but that trading loss was less than the Recognized Loss calculated above, then the Recognized Loss shall be limited to the amount of the claimant’s actual trading loss.

For purposes of calculating your Recognized Loss, the date of purchase, acquisition or sale is the “contract” or “trade” date and not the “settlement” or “payment” date. The receipt or grant by gift, inheritance or operation of law of the Company shares shall not be deemed a purchase, acquisition or sale of shares for the calculation of an Authorized Claimant’s Recognized Loss. The covering purchase of a short sale is not an eligible purchase.

For purposes of calculating your Recognized Loss, all purchases, acquisitions and sales shall be matched on a First In First Out (“FIFO”) basis in chronological order. Therefore, on the Proof of Claim and Release enclosed with this Notice, you must provide all of your purchases, acquisitions, and sales of the Company common shares during the period September 16, 2015 through and including August 19, 2017.

Payment pursuant to the Plan of Allocation approved by the Court shall be conclusive against all Authorized Claimants. No person shall have any claim against Defendants, Defendants’ Counsel, Lead Plaintiffs, Lead Counsel or the Claims Administrator or other agent designated by Lead Counsel based on the distributions made substantially in accordance with the Stipulation and the Settlement contained therein, the Plan of Allocation, or further orders of the Court. Each claimant shall be deemed to have submitted to the jurisdiction of the Court with respect to the claimant’s Proof of Claim and Release. All persons involved in the review, verification, calculation, tabulation, or any other aspect of the processing of the claims submitted in connection with the Settlement, or otherwise involved in the administration or taxation of the Settlement Fund or the Net Settlement Fund shall be released and discharged from any and all claims arising out of such involvement, and all Settlement Class Members, whether or not they are to receive payment from the Net Settlement Fund, will be barred from making any further claim against the Net Settlement Fund beyond the amount allocated to them as provided in any distribution orders entered by the Court.

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

Defendants, their respective counsel, and all other Released Persons will have no responsibility or liability whatsoever for the investment of the Settlement Fund, the distribution of the Net Settlement Fund, the Plan of Allocation, or the payment of any claim. No Person shall have any claim against the Lead Plaintiffs, Lead Counsel, the Claims Administrator, or other Person designated by Lead Counsel, or Defendants or Defendants’ counsel, based on distributions made substantially in accordance with the Stipulation and the settlement contained therein, the Plan of Allocation, or further orders of the Court. All Class Members who fail to complete and file a valid and timely Proof of Claim and Release 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.

DATED: NOVEMBER 20, 2018

BY ORDER OF THE COURT
UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION