

Pending in the Superior Court of the State of California, County of Orange

NOTICE OF PENDENCY OF CLASS ACTION

TO: CALIFORNIA RESIDENTS WHO PAID A FEE TO IMPAC FUNDING CORPORATION IN CONNECTION WITH A MORTGAGE LOAN MODIFICATION AFTER OCTOBER 11, 2009

YOU MAY BE A MEMBER OF A CALIFORNIA CONSUMER CLASS

A California State Court authorized this notice. This is not a solicitation from a lawyer.

- Please read the information below carefully to learn more about the case and your options. Your legal rights may be affected by the class action whether you act or don't act.
- A lawsuit has been certified as a class action case alleging violation of the California Unfair Competition Law by Impac Funding Corporation (referred to as "Impac") between October 11, 2009, through July 17, 2017. Impac denies any liability (i.e., fault) in the lawsuit and the Court has not decided whether Impac did anything wrong.
- Generally, you may be a member of the plaintiff class if you are a California resident who paid a fee to Impac in connection with a loan modification after October 11, 2009, through July 17, 2017. The complete class definition is available below.
- You are not included in the class if you received a mortgage loan modification through Impac but did not pay a fee.

YOUR LEGAL RIGHTS AND OPTIONS	
Do Nothing	If you do nothing, you will automatically be part of this lawsuit if you qualify as a member of the Class. The Class Plaintiffs and attorneys will act as your representative and counsel for the prosecution of the claims against Impac. As a member of the Class, you will not be responsible for any attorneys' fees and costs except that the Court may award fees and costs to Plaintiffs' counsel out of or in addition to any recovery achieved on behalf of the Class. Any judgment or settlement in this case will apply to you, including any restitution/money awarded to you and the Class. Similarly, any judgment in favor of Impac would apply to you if Impac is successful in defending the claims asserted. You will give up legal rights to sue Impac separately about the same legal claims in this lawsuit. If you do not exclude yourself, you have the right to hire your own lawyer, at your expense, to appear on your behalf.
Exclude Yourself	You may ask to be excluded if you do not want to participate in this litigation and wish to keep your individual right to sue Impac. If you ask to be excluded, no judgment or settlement in this case will apply to you, and you would be excluded from any judgment or settlement, including exclusion from any restitution/money awarded to you and the Class. Similarly, you would be excluded from any judgment in favor of Impac if Impac is successful in defending the claims asserted. However, you will retain the right to obtain your own counsel and file your own lawsuit for the same claims. For an explanation on how to exclude yourself, please review Question No. 8 below.

These rights and options, and the deadlines to exercise them, are explained in this notice.

BASIC INFORMATION

1. Why was Class notice issued?

The Superior Court of California, County of Orange (the “Court”), authorized Class notice because an affected individual has a right to know about the Court’s certification of a class in this matter (referred to as the “Class”) and to know about the lawsuit’s allegations against Impac Funding Corporation (referred to as “Impac”). The individuals asserting claims in this lawsuit on behalf of the Class are called “Plaintiffs.” Plaintiffs allege that, from October 11, 2009, through July 17, 2017, Impac violated California’s Unfair Competition Law by prematurely collecting fees in connection with mortgage loan modifications. Impac denies these claims and asserts that it charged the relevant fees at a legally appropriate time upon completing the services it agreed to perform.

This notice explains the lawsuit, your legal rights, and the procedure for excluding yourself if you do not wish to be in this lawsuit. Section 2 of this notice contains the Court’s definition of the Class. There will be no determination of liability or award of restitution until trial.

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

In a class action, one or more Plaintiffs (in this case Rene Marentes and Martha Marentes) sue on behalf of people who have similar claims. In this case, Plaintiffs have sued Impac. Impac is a corporation organized under Maryland law with its headquarters and principal place of business in Irvine, California. Impac has collected fees in connection with mortgage loan modification services in California.

Through a class action, the Court resolves the relevant issues for all Class members, except for those who exclude themselves from the Class. The Court determined that this case could proceed as a class action case in an Order dated July 18, 2016. Through that Order, the Court defined the Class as follows: “All persons who are residents of California, who paid a fee to Defendant Impac Funding Corporation in connection with a loan modification after October 11, 2009 until the date notice is provided to the Class.”

3. Has the Court decided who is right?

The Court has not decided whether Impac or Plaintiffs are correct. By establishing the Class and issuing this notice, the Court is not suggesting that Plaintiffs will win or lose the case. Plaintiffs must prove their claims at a trial.

4. Is there money available now?

No money or benefits are available now because the Court has not yet decided whether Impac did anything wrong, and the two sides have not settled the case.

WHO IS IN THE CLASS

5. Who is included in the Class?

The Class is generally persons who are residents of California who paid a fee to Impac in connection with a loan modification after October 11, 2009, through July 17, 2017. If you fit within the above description, you may be a Class Member who will be legally bound by all determinations made by the Court concerning the Class, unless you request to be excluded as described in Questions No. 6–8 below.

If you received mortgage loan modification services through Impac but did not pay a fee, you are not included in the Class. If you are not sure whether you are included in the Class, you may send an e-mail to sk@kbklawyers.com or jfe@edgarlawfirm.com with questions, and our Class Administrator will respond, or you may call the toll-free number, John F. Edgar, Edgar Law Firm at (888) 352-0338 or Shant Karnikian, Kabateck Brown Kellner, LLP at (866) 266-1800, for further information. Unless you receive further notice, Impac will maintain the confidentiality of personal identifying information provided in connection with loan modification services.

EXCLUDING YOURSELF FROM THE CLASS BY AUGUST 16, 2017

6. What does excluding myself from the Class mean?

If you do not want to be a member of the Class or you want to keep the right to individually sue Impac about the allegations in this case, then you must take steps to get out of the Class before August 16, 2017. This is called excluding yourself from—or is sometimes called “opting out” of—the Class. If you do not want to be a part of this Class case, you must exclude or opt-out of this lawsuit. The procedure is described in Question No. 8 below.

7. If I exclude myself, does any judgment or settlement in this case apply to me?

No. If you exclude yourself (or “opt out”), no judgment or settlement in this case will apply to you. You will not be bound by anything that happens in this lawsuit. Also, you cannot object to any future action by the Court or any settlement because you will no longer be a member of the Class.

If you exclude yourself, you may choose at your own expense to sue Impac. You may wish to consult a lawyer at your own expense if you do not understand your options.

8. How do I exclude myself and get out of the Class?

In order to opt out and exclude yourself, you may visit the following website: www.MarentesvImpac.com, and submit a request to opt out. The website will ask that you submit your name and address. Alternatively, you may submit by mail: (1) your name and address; and (2) a clear statement that you wish to be excluded from the Class or you did not want to be a member of the Class. The request must be signed by you. Mail your written request, postmarked by August 16, 2017 to:

Impac Funding Corporation Class Action Lawsuit
P.O. Box 4153
Portland, OR 97208-4153

THE LAWYERS REPRESENTING YOU AND THE CLASS

9. Do I have a lawyer in the case?

The Court has appointed the following lawyers as “Class Counsel” to represent Class members:

- John F. Edgar, of Edgar Law Firm LLC in Kansas City, Missouri
- Brian S. Kabateck, of Kabateck Brown Kellner LLP, Los Angeles, California

For their work on behalf of the Class, you will not be charged, because these lawyers will apply to the Court for payment of their attorneys’ fees, costs and expenses from any future restitution award by the Court or a jury or any future settlement. If you want to be represented by your own lawyer in this case, you may hire one at your own expense. If you have hired a lawyer to represent you for claims in this litigation, please contact your lawyer for further information. If you have hired your own lawyer and excluded yourself from the Class, Class Counsel will not be representing you.

10. May I get my own lawyer?

You do not need to hire your own lawyer because Class Counsel is working on your behalf. Nonetheless, you may hire your own lawyer if you wish. If you hire your own lawyer, however, you are responsible for paying for that lawyer.

11. How and when will the lawyers be paid?

If Impac is ultimately found at fault, Class Counsel's attorneys' fees, costs and expenses may be paid through (1) a Court-approved deduction of any future award or settlement; (2) Court-approved attorneys' fees, costs and expenses pursuant to California law; or (3) a combination of both (1) and (2) above. There is no pending request for attorneys' fees, costs and expenses (or Class administration costs) since there is currently not a restitution award by the Court or a settlement in this matter.

IF YOU DO NOTHING

12. What happens if I do nothing?

If you do nothing, you will be a member of the Class. Unless you exclude yourself by August 16, 2017, following the procedure in Question No. 8 above, you will be bound by the outcome of this Class case.

INCLUDING YOURSELF IN THE CLASS

13. What if I want to be in the Class?

If you want to be in the Class, do nothing at this time. A future notice will be published and provided on the website to notify you of case progress, or if any judgment or settlement is reached.

IMPAC FUNDING CORPORATION DENIES ANY LIABILITY

14. Is Impac at fault?

Impac denies the allegations made by the Plaintiffs and any liability in this lawsuit.

Impac is represented by Michael Hornak, of Rutan & Tucker, LLP, Costa Mesa, CA.

GETTING MORE INFORMATION

15. How do I get more information?

This notice summarizes issues relevant to Class certification. If you still have questions, you may:

- (1) contact Class Counsel by e-mail at sk@kbklawyers.com or jfe@edgarlawfirm.com; or
- (2) call the Class Counsel's toll-free number, John F. Edgar, Edgar Law Firm at (888) 352-0338 or Shant Karnikian, Kabateck Brown Kellner, LLP at (866) 266-1800.

You may also contact at your own expense a lawyer to assist you. You should not contact the Court or any Court staff with questions related to Class notice.

16. Are claim forms available now?

No. There is no damage award by the Court or a jury, or settlement at this time. This notice is to inform you about this Class action lawsuit and permit you to consider your option of excluding yourself by the deadline. A future notice about the case may be published and provided on the website.