

**IN THE COURT OF COMMON PLEAS
OF ALLEGHENY COUNTY, PENNSYLVANIA**

ALAN JONES and RICHARD GROSS,
individually and on behalf of all others
similarly situated,

CIVIL DIVISION – CLASS ACTION
The Honorable Philip A. Ignelzi
Class Action Judge

Plaintiffs,

v.

No. GD-18-012298

ALDER HIGHLAND ASSOCIATES, LLC;
ALDER HIGHLANDS ASSOCIATES, L.P.;
RICHARD BROURMAN; ARHAUS, LLC;
HOWARD’S TOWING AND RECOVERY,
LLC; and HOWARD SZUMINSKY,

Defendants

FINAL APPROVAL ORDER AND JUDGMENT

On, [2/22/23](#), this Court entered an order granting preliminary approval (the “Preliminary Approval Order”) of the Settlement between Plaintiffs, individually and on behalf of the Class, and Defendants Arhaus, LLC (“Arhaus”), Howard’s Towing and Recovery, LLC, and Howard Szuminsky (collectively “Howard's Towing”) (and together with Arhaus, “Defendants”), as memorialized in the attachment to Plaintiffs’ Motion for Preliminary Approval of Class Action Settlement;¹

Beginning on [3/24/23](#), pursuant to the Notice Program set forth in the Settlement and in the Preliminary Approval Order, the Class was apprised of the nature and pendency of this Litigation, the terms of the Settlement, and their rights to request exclusion, file claims, object, and/or appear at the final approval hearing;

¹ The capitalized terms used in this Final Approval Order and Judgment shall be construed according to their meaning as defined in the Settlement except as may otherwise be indicated.

On 7/5/23, Plaintiffs filed their Motion for Final Approval of the Class Action Settlement (“Final Approval Motion”) and accompanying Memorandum of Law and supporting exhibits, and on 5/9/23, Class Counsel filed their Application for Attorneys’ Fees, Expenses, and Service Awards and Accompanying memorandum of Law and supporting exhibits (“Fee Application”);

On 8/4/23, the Court held a final approval hearing to determine, *inter alia*: (1) whether the settlement is fair, reasonable, and adequate; and (2) whether judgment should be entered dismissing all claims in this Litigation with prejudice. Prior to the final approval hearing, Class Counsel filed a declaration from the Settlement Administrator confirming that the Notice Program was completed in accordance with the Parties’ instructions and the Preliminary Approval Order. Therefore, the Court is satisfied that the Class Members were properly notified of their right to appear at the final approval hearing in support of or in opposition of the proposed Settlement, the award of attorneys’ fees costs, and expenses, and the payment of Service Awards.

Having given an opportunity to be heard to all requesting persons in accordance with the Preliminary Approval Order, having heard the presentation of Class Counsel and counsel for Defendants, having reviewed all the submissions presented with respect to the proposed Settlement, having determined that the Settlement is fair, adequate, and reasonable, having considered the application made by Class Counsel for attorneys’ fees, costs, and expenses, and the application for Service Awards, and having reviewed the materials in support thereof, and good cause appearing in the record and Plaintiffs’ Final Approval Motion is **GRANTED**, and Class Counsel’s Fee Application is **GRANTED**, and:

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:

1. The Court has jurisdiction over the subject matter of this action and over all claims raised therein and all Parties thereto, including the Class. The Court also has personal jurisdiction over the Parties and the Class Members.

2. The Settlement was entered into in good faith following arm's length negotiations and is non-collusive.

3. The Settlement is, in all respects, fair, reasonable, and adequate, is in the best interests of the Class, and is therefore approved. The Court finds that the Parties faced significant risks, expenses, delays and uncertainties, including as to the outcome, of continued litigation of this complex matter, which further supports the Court's finding that the Settlement is fair, reasonable, adequate and in the best interests of the Class Members. The Court finds that the uncertainties of continued litigation in both the trial and appellate courts, as well as the expense associated with it, weigh in favor of approval of the Settlement.

4. This Court grants final approval of the Settlement, including but not limited to the releases in the Settlement and the plans for distribution of the settlement relief. The Court finds that the Settlement is in all respects fair, reasonable, and in the best interests of the Class. Therefore, all Class Members who have not opted out are bound by the Settlement and this Final Approval Order and Judgment.

5. The Settlement and every term and provision thereof shall be deemed incorporated herein as if explicitly set forth herein and shall have the full force of an Order of this Court.

6. The Parties shall effectuate the Settlement in accordance with its terms.

OBJECTIONS AND OPT-OUTS

7. 0 objections were filed by Class Members. The Court has considered all objections and finds the objections do not counsel against Settlement approval, and the objections are hereby overruled in all respects.

8. All persons who have not objected to the Settlement in the manner provided in the Settlement are deemed to have waived any objections to the Settlement, including but not limited to by appeal, collateral attack, or otherwise.

9. A list of those Class Members who have timely and validly elected to opt out of the Settlement and the Class in accordance with the requirements in the Settlement (the “Opt-Out Members”) has been submitted to the Court in the Declaration of [Analytics, LLC](#), filed in advance of the final approval hearing. No opt-outs were recieved.

NOTICE TO THE SETTLEMENT CLASS

10. The Court finds that the Notice Program, set forth in the Settlement and effectuated pursuant to the Preliminary Approval Order, satisfied Pa. R. Civ. P. 1712 and 1714, the constitutional requirement of due process, and any other legal requirements, was the best notice practicable under the circumstances, was reasonably calculated to provide and did provide due and sufficient notice to the Class of the pendency of the Litigation, the existence and terms of the Settlement, their right to exclude themselves, their right to object to the Settlement and to appear at the Final Approval Hearing, and satisfied the other requirements of the Pennsylvania Rules of Civil Procedure and all other applicable laws.

AWARD OF ATTORNEYS' FEES AND SERVICE AWARDS

11. The Court has considered Class Counsel's Motion for attorneys' fees, costs, and expenses, and for Service Awards.

12. For the purpose of Settlement only, Plaintiffs are considered the prevailing party under Pa. Stat. § 201-9.2 of the Pennsylvania Unfair Trade Practices and Consumer Protection Law ("UTPCPL").

13. Pursuant to Rule 1717 and applicable caselaw, the Court awards Class Counsel \$57,000.00, as an award of reasonable attorneys' fees and reimbursement of reasonable expenses in accordance with the Settlement. The Court finds this amount of fees, costs, and expenses to be fair and reasonable in light of: (1) the time and effort reasonably expended by Class Counsel in the litigation; (2) the quality of the services rendered; (3) the results achieved and benefits conferred upon the Class; and (4) the magnitude, complexity, and the uniqueness of the litigation. This award of attorneys' fees, costs, and expenses shall be paid by Arhaus and Howard's Towing, in accordance with the Settlement. This award of attorneys' fees, costs, and expenses is independent of the Court's consideration of the fairness, reasonableness, and adequacy of the Settlement.

14. The Court grants Class Counsel's request for Service Awards and awards \$1,500.00 each to named Plaintiffs Richard Gross and Alan Jones.

15. The Court finds that this payment is justified by their service to the Class. These Service Awards shall be paid by Arhaus in accordance with the Settlement.

OTHER PROVISIONS

16. The Parties to the Settlement shall carry out their respective obligations thereunder.

17. Within the time period set forth in the Settlement, the relief provided for in the

Settlement shall be made available to the Class Members, pursuant to the terms and conditions of the Settlement.

18. As of the Effective Date, Class Representatives, in their individual capacity, as opposed to their representative capacity, release any and all claims, causes of action, demands, complaints, grievances, damages, debts, suits, dues, sums of money, actions and causes of action, known or unknown, accrued or unaccrued, of any nature whatsoever, whether in law, statutory or in equity, which either may have or claim to have against Defendants' Released Persons which occurred on or before the date of this Agreement. The Release contained in this paragraph applies without limitation to all Defendants' Released Persons. This Release specifically includes but is not limited to claims alleged in the Litigation, compensation, fees/costs, liquidated damages, penalties, interest, and all other relief under the Pennsylvania Unfair Trade Practices and Consumer Protection Law ("UTPCPL"), 73 P.S. § 201-1 *et seq.*, and all other state and local consumer protection or fair credit laws and common law theories in contract or tort arising or accruing during the Relevant Period, that they have or may have, whether known or unknown, against Defendant's Released Persons (the "Class Representatives' Released Claims").

19. As of the Effective Date, Class Members who did not timely and validity exclude themselves from the Settlement, release any and all claims, causes of action, demands, complaints, grievances, damages, debts, suits, dues, sums of money, actions and causes of action, known or unknown, accrued or unaccrued, of any nature whatsoever, whether in law, statutory or in equity, which either may have or claim to have against Defendants' Released Persons which occurred on or before the date of this Agreement. The Release contained in this paragraph applies without limitation to all Releasees. This Release is limited to the claims alleged in the Litigation, including any compensation, fees/costs, liquidated damages, penalties, interest, and all other

relief under the Pennsylvania Unfair Trade Practices and Consumer Protection Law (“UTPCPL”), 73 P.S. § 201-1 *et seq.*, and all other state and local consumer protection or fair credit laws and common law theories in contract or tort arising or accruing during the Relevant Period, that they have or may have, whether known or unknown, against Defendants’ Released Persons that arose out of, or in connection with the claims or facts alleged or set forth in the Litigation (“Class Members’ Released Claims) (and collectively with Class Representatives’ Released Claims, “Released Claims”).

20. As of the Effective Date, Defendants’ Released Persons will be deemed to have completely released and forever discharged the Releasing Parties and Plaintiffs’ Released Persons from and for any and all liabilities, claims, cross-claims, causes of action, rights, actions, suits, debts, liens, contracts, agreements, damages, costs, attorneys’ fees, losses, expenses, obligations, or demands of any kind whatsoever, whether known or unknown, existing or potential, or suspected or unsuspected, whether raised by claim, counterclaim, setoff, or otherwise, including any known or unknown claims, which they have or may claim now or in the future to have, relating to the institution, prosecution, or settlement of the Litigation, except for claims relating to the enforcement of the Settlement or the Parties’ Agreement. For the avoidance of doubt, Defendants’ Released Persons release, as set forth in this Paragraph, does not include entities that do not meet the definition of either Releasing Parties or Plaintiffs’ Released Persons.

21. As of the Effective Date, Arhaus and Howard’s Towing fully release any and all claims, causes of action, demands, complaints, grievances, damages, debts, suits, dues, sums of money, actions and causes of action, known or unknown, accrued or unaccrued, of any nature whatsoever, whether in law, statutory or in equity, which Arhaus and Howard’s Towing have alleged against each other in the Litigation or that may arise out of the cross-claim allegations

or within the Complaint which occurred on or before the date of this Agreement.

22. The Class Representatives and Class Members are enjoined from prosecuting any of Class Representatives' Released Claims or Participating Class Members' Released Claims in any proceeding against any of the Defendants' Released Persons or prosecuting any claim based on any actions taken by any of the Defendants' Released Persons that are authorized or required by this Settlement or by the Final Approval Order and Judgment. It is further agreed that the Settlement and/or this Final Approval Order and Judgment may be pleaded as a complete defense to any proceeding subject to this section.

23. This Final Approval Order and Judgment and the Settlement, and all acts, statements, documents, and proceedings relating to the Settlement are not, and shall not be construed as, used as, or deemed to be evidence of, an admission by or against Defendants of any claim, any fact alleged in the Litigation, any fault, any wrongdoing, any violation of law, or any liability of any kind on the part of Defendants asserted in the Litigation.

24. This Final Approval Order and Judgment, the Settlement, and all acts, statements, documents, and proceedings relating to the Settlement shall not be offered, received, or admissible in evidence in any action or proceeding, or be used in any way as an admission, concession or evidence of any liability or wrongdoing of any nature or that Plaintiffs, any Class Member, or any other person has suffered any damage; *provided, however*, that nothing in the foregoing, the Settlement, or this Final Approval Order and Judgment shall be interpreted to prohibit the use of the Settlement or this Final Approval Order and Judgment in a proceeding to consummate or enforce the Settlement or this Final Approval Order and Judgment (including all releases in the Settlement and Final Approval Order and Judgment), or to defend against the assertion of any Released Claims in any other proceeding, or as otherwise required by law.

25. The Settlement's terms shall be forever binding on, and shall have res judicata and preclusive effect in, all pending and future lawsuits or other proceedings as to Released Claims (and other prohibitions set forth in this Final Approval Order and Judgment) that are brought, initiated, or maintained by, or on behalf of, any Class Member who is not an Opt-Out Member or any other person subject to the provisions of this Final Approval Order and Judgment.

26. The Court hereby dismisses the Litigation and Complaint and all claims therein on the merits and with prejudice, without fees or costs to any Party except as provided in this Final Approval Order and Judgment.

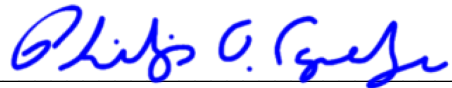
27. Consistent with the Settlement, if the Effective Date, as defined in the Settlement Agreement, does not occur for any reason, this Final Approval Order and Judgment and the Preliminary Approval Order shall be deemed vacated and shall have no force and effect whatsoever; the Settlement shall be considered null and void; all of the Parties' obligations under the Settlement, the Preliminary Approval Order, and this Final Approval Order and Judgment shall cease to be of any force and effect, and the Parties shall return to the status quo ante in the Litigation as if the Parties had not entered into the Settlement. In such an event, the Parties shall be restored to their respective positions in the Litigation as if the Settlement Agreement had never been entered into.

28. Without affecting the finality of this Final Approval Order and Judgment, the Court will retain jurisdiction over the subject matter and the Parties with respect to the interpretation and implementation of the Settlement for all purposes, including enforcement of its terms at the request of any party and resolution of any disputes that may arise relating in any way to, arising from, the implementation of the Settlement or the implementation of this Final Order and Judgment.

ENTERED:

DATED: August 4, 2022

BY THE COURT:

Philip A. Ignelzi, J.
The Honorable Philip A. Ignelzi