

STATE OF MINNESOTA

DISTRICT COURT

COUNTY OF HENNEPIN

FOURTH JUDICIAL DISTRICT

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Bonnie Berthiaume, Robert Berthiaume,  
Doris Burnham, Richard Burnham, Nancy  
Mayer-Gosz, Fletcher Lewis, and Carole  
Lewis,

Court File No.: 27-CV-17-15118  
Case Type: Other Contract / Other Civil  
Judge Laurie J. Miller

Plaintiffs,

vs.

Allianz Life Insurance Company of North  
America and Imeriti, Inc. d/b/a Imeriti  
Financial Network,

**ORDER GRANTING  
MOTION FOR FINAL APPROVAL OF  
CLASS SETTLEMENT AND  
CERTIFICATION OF SETTLEMENT  
CLASS**

Defendants.

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This matter comes before the Court on the Motion for Final Approval of Class Settlement and Certification of Class Settlement (the "Motion"), the terms of which are set forth in a Stipulation of Settlement and exhibits thereto, filed with the Court on September 1, 2020. Having carefully reviewed the submissions of the Parties, including the Parties' Stipulation of Settlement and their oral presentations at the Fairness Hearing on December 4, 2020, the Court hereby grants the Motion and grants final approval of the settlement.

IT IS HEREBY ORDERED AND DECREED as follows:

**1. Incorporation of Documents.** This Order incorporates and makes a part hereof:

a. the Parties' Stipulation of Settlement, filed September 1, 2020, including Exhibits A through F thereto<sup>1</sup> (collectively, the "Settlement Stipulation"), which sets forth the terms and conditions of the proposed settlement (the "Settlement"); and

b. the Court's findings and conclusions contained in its Findings and Order Preliminarily Approving Settlement and Directing Issuance of Notice to the Class, dated September 21, 2020 (the "Preliminary Approval Order"). All defined terms in this Final Order and Judgment shall have the same meanings as in the Settlement Stipulation.

2. **Jurisdiction.** The Court has personal jurisdiction over the Parties and the Class Members (as defined below in Paragraph 3) and has subject matter jurisdiction over this Action, including, without limitation, jurisdiction to approve the Settlement, to settle and release all claims arising out of the transactions alleged in the Amended Complaint and set forth in the Released Transactions (as defined in the Settlement Stipulation), and to dismiss this Action on the merits and with prejudice. All Class Members who have not excluded themselves from the Class have consented to the jurisdiction of this Court for purposes of this Action and the Settlement of this Action.

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<sup>1</sup> The Exhibits to the Stipulation of Settlement are as follows: Exhibit A (Notice of Class Action Settlement and Fairness Hearing); Exhibit B (Proposed Findings and Order Granting Preliminary Approval of Class Settlement and Directing Issuance of Class Settlement Notice); Exhibit C (Claims Process Outline); Exhibit D (Claims Process Rules); Exhibit E (Claim Form); Exhibit F (Confession of Judgment of Class Counsel).

3. **The Class.** The Court confirms its previous certification of the Class, which is hereby finally certified for settlement purposes only. The Class is defined as:

National Class

All residents of the United States who, during the Class Period, purchased an Allianz annuity or other Allianz life insurance product from Sean M. Meadows and were defrauded of some or all of their investment. The Class Period commences on January 1, 2004 and continues through August 5, 2014. Excluded from the class is any parent, subsidiary, affiliate, controlled person, officer, director, agent, servant, employee, or immediate family member of Defendants.

Minnesota Subclass

All residents of the State of Minnesota who, during the Class Period, purchased an Allianz annuity or other Allianz life insurance product from Sean M. Meadows and were defrauded of some or all of their investment. The Class Period commences on January 1, 2004 and continues through August 5, 2014. Excluded from the class is any parent, subsidiary, affiliate, controlled person, officer, director, agent, servant, employee, or immediate family member of Defendants.

Senior Citizens and Disabled Persons Subclass

All residents of the State of Minnesota who are senior citizens or disabled, who during the Class Period, purchased an Allianz annuity or other Allianz life insurance product from Sean M. Meadows and were defrauded of some or all of their investment. The Class Period commences on January 1, 2004 and continues through August 5, 2014. Excluded from the class is any parent, subsidiary, affiliate, controlled person, officer, director, agent, servant, employee, or immediate family member of Defendants.

4. **Adequacy of Representation.** The Court confirms its previous appointment of Amy S. Conners, Jennifer L. Olson, and Thomas B. Heffelfinger, counsel of record herein for Class Representatives, as Class Counsel and finds that they have fully and adequately represented the Class for purposes of entering into and implementing the Settlement and have satisfied the requirements of Minnesota Rules of Civil Procedure 23.03 and 23.07 and applicable law.

5. **Class & Settlement Notice.** The Court confirms that the class and settlement notice programs and method for distributing relief for this Settlement are fair, robust, and effective. Individual settlement notice was sent to each reasonably identifiable Class Member via first-class mail to their last known address, and notice and other materials were made available on a publicly available internet site, in accordance with the Preliminary Approval Order. Of 111 settlement notices mailed, only 7 were returned as undeliverable. For those settlement notices returned as undeliverable, the Settlement Claims Administrator made additional efforts to locate new addresses, including employing skip-tracing. In response to the notice program, no objections to the Settlement have been filed as of the objection deadline. As a result, the Court finds that the class and settlement notice programs:

- a. constituted the best practicable notice to Class Members under the circumstances of this Action;
- b. were reasonably calculated, under the circumstances, to apprise Class Members of (i) the pendency and nature of this class action lawsuit, (ii) their right to exclude themselves from the Class, (iii) their right to object to any aspect of the proposed Settlement, the fairness, reasonableness, or adequacy of the proposed Settlement, the adequacy of the Class representation by Class Representatives or Class Counsel, and/or the award of attorneys' fees and expenses, (iv) their right to request to appear at the Fairness Hearing, personally or through counsel, and (v) the binding effect of

the orders and judgment in this action, whether favorable or unfavorable, on all persons who do not request exclusion from the Class;

- c. were reasonable and constituted due, adequate, and sufficient notice to all persons entitled to be provided with notice;
- d. complied with Minnesota Rule of Civil Procedure 23.03; and
- e. fully satisfied the requirements of the United States and Minnesota Constitutions (including the Due Process Clause) and all other applicable law and procedural rules.

6. **The Settlement is Fair and Adequate in All Respects.** The Court finds that the terms and provisions of the Settlement have been entered into in good faith, and are fair, reasonable, and adequate as to, and in the best interests of, the Parties and the Class Members and in full compliance with all applicable requirements of the United States and Minnesota Constitutions (including the Due Process Clause), Minnesota Rule of Civil Procedure 23, and all other applicable law and procedural rules. The Court finds that the relief provided by the Settlement is fair and adequate in light of the risks of proceeding to trial. Class Representatives faced the risk that Defendants would prevail as a matter of law on anticipated motions for summary judgment and, even if Defendants did not, Class Representatives would face a complex and contested trial on the merits and the near certainty that any final judgment in their favor would be challenged on appeal, further delaying resolution of their claims. The monetary relief to the class is substantial, providing the opportunity for eligible Class Members to be compensated for their losses. Class Members who demonstrate

entitlement to recovery of the Annuity Loss Component will receive 50% of their net out-of-pocket loss during the class period. Class Members who demonstrate entitlement to recovery of the MFG Investment Loss Component will receive a percentage of their total MFG Investment Loss—40% of the loss for qualifying Class Members who surrendered qualifying annuities before October 1, 2013 and supply qualifying documentation with their Claim Form, 50% for qualifying Class Members who surrendered after October 1, 2013 and supply qualifying documentation with their Claim Form, and 12% for qualifying Class Members who submit their Claim Form without the qualifying supporting documentation. Therefore, the Settlement is approved. The Settlement, and this Final Order and Judgment, shall be forever binding on Class Representatives and all other Class Members, as well as their heirs, executors and administrators, successors and assigns, and shall have *res judicata* and other preclusive effect in all pending and future claims, lawsuits, arbitrations or other proceedings maintained by or on behalf of any such persons, to the fullest extent allowed by law.

7. **Implementation of Settlement.** The Parties are directed to implement the Settlement according to its terms and conditions. Defendants will provide Claim Relief in accordance with the terms and conditions of the Settlement.

8. **Communications with Class Members.** The Parties and Parties' Counsel are hereby authorized to communicate with Class Members, as contemplated by and in accordance with the terms of the Settlement Stipulation and the Preliminary Approval Order, without requiring further approval of the Court.

9. **Release.** The following Release, which is transcribed from Section VII of the Settlement Stipulation, is expressly incorporated herein in all respects, is effective as of the date of this Final Order and Judgment, and forever discharges the Releasees from any and all claims and liabilities within the scope of the Release:

a. The Class Representatives and Class Members, on behalf of themselves, their spouses, heirs, assigns, beneficiaries, executors, administrators, trusts, trustees, predecessors and successors, hereby expressly release and discharge Releasees from any and all causes of action, claims, damages, equitable, legal and administrative relief, interest, demands or rights, including, without limitation, claims for mental anguish and/or punitive or exemplary damages, whether based on federal, state, or local law, statute, ordinance, regulation, contract, common law, or any other source, that relate to the Contracts and any other conduct on the part of Releasees or Meadows, including, without limitation: (a) the marketing, offer, solicitation, application, acceptance, issuance, sale, presentation, illustration, projection, purchase, charges, administration, retention, handling, faxing, mailing, e-mailing, communication, general assistance, replacement, withdrawal, surrender, and termination of or in connection with the Contracts, (b) the supervision or purported lack of supervision of Sean M. Meadows by Releasees, (c) the claims asserted or that could have been asserted in this Action or before any court, arbitration panel, or regulatory or administrative agency against Releasees, (d) Class Representatives and Class Members'

relationships with Sean M. Meadows, including but not limited to any investment advice, tax advice, investments (actual or fictional) or any other conduct Meadows engaged in, including the conduct underlying his criminal conviction; and (e) the factual predicates alleged in the Amended Complaint that form the basis of claims against Releasees (the "Released Claims"). This Release and the Released Claims encompass all claims relating in any way to the Contracts.

b. The Class Representatives and Class Members expressly further agree that they shall not now nor hereafter institute, maintain, or assert against Releasees, either directly or indirectly, on their own behalf, on behalf of the Class, or on behalf of any other person or entity any action, regulatory action, arbitration, or court or other proceeding of any kind asserting causes of action, claims, damages, equitable, legal and administrative relief, interest, demands or rights, including, without limitation, claims for mental anguish and/or punitive or exemplary damages, whether based on federal, state, or local law, statute, ordinance, regulation, contract, common law, or any other source, that relate to the Released Claims.

c. Nothing in this Release shall be deemed to alter Class Representatives' or Class Members' contractual rights under Contracts still in force (except to the extent that such rights are specifically supplemented or altered by the Settlement Relief described in this Agreement), including but



not limited to any right to take any action expressly permitted under the terms of the Contract.

d. In connection with this Release, Class Representatives and Class Members acknowledge that they are aware that they may hereafter discover claims presently unknown or unsuspected, facts in addition to or different from those which they now know or believe to be true, or losses that may exist or have been underestimated with respect to the Released Claims. Class Representatives and Class Members nevertheless agree that this Release fully, finally, and forever shall settle and release all liability for the Released Claims.

e. Without limiting the foregoing, nothing in this Release shall release, preclude, or limit any claim or action to enforce the terms of this Agreement.

f. The Parties agree and acknowledge that all provisions of [Section VII of the Stipulation of Settlement,] including the Release, together constitute an essential term of the Agreement.

g. Class Representatives and Class Members expressly agree that this Release is, and may be raised as, a complete defense to and precludes any claim, action, or proceeding encompassed by the Release against Releasees. It is the intention of the Parties in executing this Release on behalf of themselves and the Class Members to fully, finally, and forever settle and release all

matters and all claims relating to the Contracts and Class Members' interaction with Sean Meadows in any way.

**10. Permanent Injunction.** Except to the extent a Class Member has been excluded by this Order from the Class, all Class Members are hereby permanently barred and enjoined from filing, commencing, prosecuting, maintaining, intervening in, participating in as class members or otherwise, or receiving any benefits from, any lawsuit (including putative class action lawsuits), arbitration, administrative or regulatory proceeding or order in any jurisdiction, based on or relating to the Released Claims or the claims or causes of action, or the facts and circumstances relating thereto, alleged in the Amended Complaint; and (2) organizing any Class Members into a separate class for purposes of pursuing as a putative class action any lawsuit, arbitration, or other legal proceeding or action (including by seeking to amend a pending complaint to include class allegations, or seeking class certification in a pending action) based on or relating to the Released Claims or the claims or causes of action, or the facts and circumstances relating thereto, alleged in the Amended Complaint.

**11. Enforcement of Settlement.** Nothing in this Final Order and Judgment shall preclude any action to enforce the terms of the Settlement Stipulation; nor shall anything in this Final Order and Judgment preclude the Class Representatives or other Class Members from participating in the Claim Review Process described in the Settlement Stipulation, if they are entitled to do so under the terms of the Settlement Stipulation.

**12. Modification of Settlement Stipulation.** The Parties are hereby authorized, without needing further approval from the Court, to agree to and adopt such amendments to, and modifications and expansions of, the Settlement Stipulation as are not materially inconsistent with this Order and do not unreasonably limit the rights of the Class Members under the Settlement Stipulation.

**13. Retention of Jurisdiction.** The Court has jurisdiction to enter this Final Order and Judgment. Without in any way affecting the finality of this Final Order and Judgment, the Court expressly retains jurisdiction as to all matters relating to the administration, consummation, enforcement, and interpretation of the Settlement Stipulation and of this Final Order and Judgment.

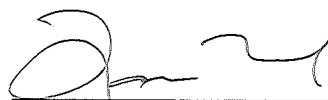
**14. No Admissions.** Neither this Final Order and Judgment, nor the Settlement Stipulation, nor any other document referred to herein or therein, nor any action taken to carry out this Final Order and Judgment is, may be construed as, or may be used as an admission or concession by or against Defendants of the validity of any claim or any actual or potential fault, wrongdoing, or liability whatsoever. Entering into or carrying out the Settlement Stipulation, and any negotiations or proceedings relating to it, shall not in any event be construed as, or deemed evidence of, an admission or concession as to Defendants' denials or defenses, and shall not be offered or received in evidence in any action or proceeding against any party hereto in any court, administrative agency, or other tribunal for any purpose whatsoever, except as evidence of the Settlement or to enforce the provisions of this Final Order and Judgment and the Settlement Stipulation; provided however, this Final Order and Judgment and

the Settlement Stipulation may be filed in any action against or by Defendants or Releasees (as defined in the Settlement Stipulation) to support a defense of *res judicata*, collateral estoppel, release, waiver, good-faith settlement, judgment bar or reduction, full faith and credit, or any other theory of claim preclusion, issue preclusion, or similar defense or counterclaim to the extent allowed by law.

**15. Dismissal of Defendants with Prejudice.** All of the claims asserted in the Amended Complaint or otherwise presented against Defendants, are hereby dismissed with prejudice, without fees or costs to any party except as otherwise provided in the Court's order on Class Representatives' Motion for an Order Approving Class Representatives' Attorneys' Fees, Costs, and Service Awards. The Court Administrator is directed to enter Final Judgment.

IT IS SO ORDERED.

Dated: Dec. 4, 2020



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Laurie J. Miller  
District Court Judge