

NOTICE OF SETTLEMENT

UNITED STATES DISTRICT COURT CENTRAL DISTRICT OF CALIFORNIA

You are receiving this notice because a settlement has been reached in the case of *Ian Freeman v. Zillow, Inc.*, Case No. SACV 14-01843-JLS (DFMx), filed in the United States District Court for the Central District of California. You are a class member in that case, and may be entitled to benefits under this settlement.

This notice affects your legal rights. Please read it carefully.

This is not a solicitation from a lawyer. A Court has authorized this Notice.

NOTICE OF CLASS ACTION SETTLEMENT:

RE: Settlement of Claims for Alleged Unpaid Wages

- Ian Freeman (the “Class Representative”), a former employee of Zillow, sued Zillow for allegedly failing to properly pay wages, including overtime, and for other related violations of California wage and hour laws.
- This case was certified as a class action on February 26, 2016, as to claims related to Zillow’s policies regarding meal and rest breaks and payment of overtime.
- On or about December 2, 2016, Zillow and Class Counsel reached a Settlement Agreement, subject to Court approval, providing a Settlement to certain current and former Zillow employees in California and Washington who worked as Inside Sales Consultant, Senior Inside Sales Consultant, Business Consultant, Business Consultant I, Business Consultant II, Senior Business Consultant I, Sales Executive I, Sales Executive II, Senior Sales Executive I, Special Products Sales Executive, Account Manager (Travel Team), Account Manager (In Market Sales), Sales Coordinator, Sales Event Coordinator, In-Market Sales Executive, and Senior In-Market Sales Executives.
- This Notice is to inform you about the status of the lawsuit, including your potential right to receive a share of the settlement funds.
- **Your legal rights are affected and you have a choice to make this action now:**

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
PARTICIPATION IN THE SETTLEMENT	No action is required at this time if you wish to be included in the Settlement.
EXCLUDE YOURSELF	Notify the Claims Administrator in writing of your decision to exclude yourself. If you choose this option, you will be unable to participate in the settlement but will retain any rights you may still have against Zillow over the claims in this case.
OBJECT	Write the Court about why you do not like the settlement.
ATTEND THE HEARING	Ask to speak to the Court about the fairness of the settlement.

Your options are explained in this Notice. Please read it carefully. To exclude yourself from the settlement, you must act before **July 17, 2017**.

PLEASE READ THIS NOTICE CAREFULLY. YOUR LEGAL RIGHTS MAY BE AFFECTED BY THE PROCEEDINGS IN THIS ACTION.

QUESTIONS? VISIT WWW.INSIDESALESCONSULTANTSETTLEMENT.COM.

1. What is this lawsuit about?

The Class Representative, Plaintiff Ian Freeman, sued Zillow, on behalf of himself individually, as well as on behalf of a putative class of current and former Zillow Inside Sales Consultants (“ISCs”) in Orange County, California, asserting claims for (1) unpaid wages under Cal. Lab. Code §§ 1194, 1194.2 and the Wage Order; (2) unpaid overtime compensation in violation of Cal. Lab. Code § 510 and the Wage Order; (3) failure to provide meal and rest breaks in violation of Cal. Lab. Code § 226.7; (4) waiting time penalties pursuant to Cal. Lab. Code §§ 201-203; (5) failure to provide accurate itemized wage statements pursuant to Cal. Lab. Code §§ 226(a) and (e); (6) unfair business practices in violation of Cal. Bus. & Prof. Code § 17200; and (7) violations of the Fair Labor Standards Act (“FLSA”), 29 U.S.C. § 201.

On February 26, 2016, the Court certified a class of current and former non-exempt hourly employees who are or were employed by Zillow in California as an Inside Sales Consultant, who worked a shift scheduled between 8:00 a.m. and 4:00 p.m. during the period November 19, 2010 through January 4, 2015, and who did not execute a Separation and Release of Claim Agreement after ending their employment. The Court also certified a subclass of former non-exempt hourly employees who were employed by Zillow, Inc. in California as an Inside Sales Consultant, who worked a shift scheduled between 8:00 a.m. and 4:00 p.m. during the period November 19, 2010 through January 4, 2015, and who did not execute a Separation and Release of Claim Agreement after ending their employment. The Court appointed Plaintiff Ian Freeman to serve as Class Representative and appointed Mark J. Geragos of Geragos & Geragos, APC, and Bobby Samini of Samini Scheinberg, PC as Class Counsel.

On December 1, 2016, Zillow and Class Counsel reached a Settlement Agreement, as modified on April 10, 2017, and May 19, 2017, subject to Court Approval. The Settlement Class includes (i) the class certified by the Court’s Order of February 26, 2016, and (ii) any person who has been employed by Zillow, Inc. as an Inside Sales Consultant, Senior Inside Sales Consultant, Business Consultant, Business Consultant I, Business Consultant II, Senior Business Consultant I, Sales Executive I, Sales Executive II, Senior Sales Executive I, Special Products Sales Executive, Account Manager (Travel Team), Account Manager (In Market Sales), Sales Coordinator, Sales Event Coordinator, In-Market Sales Executive, and Senior In-Market Sales Executive in (a) the State of California from November 19, 2010 through the date on which the Court granted preliminary approval or (b) the State of Washington from March 1, 2013 through the date on which the Court granted preliminary approval. The Class shall not include any members who timely and validly opt-out. The Class shall not include certain individuals who have already settled and released their claims against Zillow.

The Court has not made any determination as to the ultimate merits of the certified claims, and Zillow denies any wrongdoing. You are receiving this notice because you are a Class Member.

2. What are the Benefits and Terms of the Settlement?

To settle this case, Zillow has agreed to pay a total of \$6,000,000 if approved by the Court (“Settlement”), inclusive of all alleged unpaid wages, liquidated damages, penalties, interest, Service Awards, costs, and attorneys’ fees. If you elect to participate, you will be eligible to receive, if the Court approves a settlement, a portion of the Settlement, after payment of attorneys’ fees, costs, and expenses and a Service Award to the Class Representative. **If the Court approves the Settlement as submitted, the gross settlement amount you will be eligible to receive will be approximately the number set forth at the beginning of this notice, less amounts withheld for taxes. This amount has been calculated pursuant to an equitable formula that takes into account your rate of pay, the amount of time you worked for Zillow, and your eligibility for recovery of certain California penalties.**

The gross settlement amount you will be eligible to receive is calculated based on the Plan of Allocation if the Plan is approved by the Court. The Plan of Allocation is structured to fully compensate Class Members for all of the claims that are or could have been asserted in this action. *First*, there is an FLSA overtime and liquidated damages allocation to compensate Class Members for unpaid overtime and liquidated damages from March 2013 through February 2015 (“FLSA Allocation”). Any payment pursuant to the FLSA Allocation will be included in a separate check. *Second*, there is an allocation for overtime and interest to California Class Members to compensate them for any alleged unpaid overtime between November 19, 2010 and February 28, 2013. *Third*, there is an allocation for unpaid overtime and interest to all Class Members to compensate them for any alleged unpaid overtime between March 1, 2015 and February 29, 2016. *Fourth*, there is an

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allocation for meal and rest break premium payments for any alleged missed meal period claims for California Class Members between November 19, 2016 and February 29, 2016. *Fifth*, there is an allocation for payment of various penalties. *Sixth*, there are allocations for any remainder to be distributed to certain Class Members on a weighted pro rata basis. Any payment pursuant to the FLSA Allocation will be included in an “FLSA Settlement Check.” Any payment pursuant to the remaining allocations will be included in a separate “Class Action Settlement Check.”

A percentage of your settlement payment is considered wages and shall be subject to withholding of all applicable local, state, and federal taxes, and reported on an IRS Form W-2. The remaining percentage of the settlement payment is considered compensation for interest, penalties, and other related damages, and will not be subject to payroll withholdings, and will be reported on an IRS Form 1099. Please consult with your accountant or other tax advisor regarding the tax consequences of the settlement payment. Your settlement payments do not trigger any additional benefits or liabilities under Zillow’s benefit plans, including any retirement plans in which you may participate.

3. Who is Class Counsel?

The Court appointed the following lawyers as Class Counsel: Mark J. Geragos of Geragos & Geragos, APC, and Bobby Samini of Samini Scheinberg, PC.

4. How much are Attorneys’ Fees, Expenses, and the Service Award to the Class Representative?

Class Counsel has pursued the lawsuit on a contingent basis and has not yet received any payment of fees or any reimbursement of their out-of-pocket expenses related to the recovery on behalf of the class. As part of the settlement, subject to Court approval, class counsel will apply for fees and costs in an amount not to exceed \$2 million. Under this settlement, Class Counsel will recover compensation from the Settlement. Participating Class Members will not be required to make any payments to Class Counsel for attorneys’ fees or other litigation costs from their Individual Settlement Amounts. Class Counsel will also ask the Court to approve a Service Award to the Class Representative in an amount not to exceed \$15,000. Class Members may object to the terms of the settlement and/or to Class Counsels’ request for attorneys’ fees and expenses, and/or to the Service Award to the Class Representative, pursuant to paragraph 8.

5. What happens if the Court Approves the Settlement?

If the Court approves the proposed Settlement, it will enter a judgment that will dismiss the Litigation with prejudice on the merits as to all Class Members who do not timely return the Exclusion Form. This means that Class Members, including the Class Representative, who do not exclude themselves, will be barred from bringing their own lawsuits for recovery against Zillow for any and all claims, rights, penalties, demands, damages, debts, accounts, duties, costs (other than those costs required to be paid pursuant to this Settlement Agreement), liens, charges, complaints, causes of action, obligations, or liability of any and every kind, whether known or Unknown Claims, that were alleged or could have been asserted based on the alleged facts in the Litigation and any claims relating in any way to any of the facts alleged or asserted or referred to in any of the pleadings and/or papers filed in the Litigation, namely:

- the Complaint, the First Amended Complaint (“FAC”), and the Second Amended Complaint (“SAC”);
- California Labor Code sections and any accompanying subparts or subsections: 200, 201, 202, 203, 204, 210, 211, 216, 218, 218.5, 218.6, 221, 222, 223, 224, 225.5, 226, 226.7, 452, 510, 512, 552, 558, 1021.5, 1174, 1175, 1182.11, 1194, 1197, 1198, 1199, 2698 *et seq.*, 2699.3, 2802 and 201.3, 201.9-203.1, 204, 204(b), 204.3, 206-208, 210-213, 215-217, 218, 219, 221, 226.4, 226.6-227.5, 432.5 510-517, 550-554, 556, 558, 1190, 1193.5-1197.1, 1197.5, 1200, 2698-2699.5, 2802, as well as California Industrial Welfare Commission’s Wage Orders, including 13-2001 and 14-2001, California Code of Regulations, Title 8, sections 11000 and 11010 *et seq.*, Code of Civil Procedure section 1021.5, Business and Professions Code sections 17200-17208, *et seq.*, and Code of Civil Procedure section 382, as well as any claims for conversion, accounting, or other declaratory relief alleged;
- Washington Industrial Welfare Act, RCW 49.12.005 – 19.12.903; Washington Administrative Code (WAC) 296-126-092, Washington Minimum Wage Act, RCW 59.56.005 *et seq.*; Washington Wage, Hour, and Working Conditions Law, RCW 49.12.005 – 59.12.170; Washington Wage Payment and Collection Law, RCW 49.48.010 *et seq.*, and any other laws or regulations arising from or relating to the nonpayment of wages.

- any other federal, state, or local labor laws or rules and regulations or any common law or statutory claims arising out of or relating to the classification of independent contractors and/or employees and/or exempt or non-exempt status, unpaid wages, including overtime, double-time, or straight-time wages, failure to comply with meal and/or rest break laws and regulations, timekeeping practices, wage statements, any associated damages, premium payments, liquidated damages, fines, penalties, interest and/or attorneys' fees and costs, or relating in any way to any of the facts alleged or asserted in the Complaint, FAC, or SAC.

Eligible Class Members will receive an FLSA Settlement Check reflecting the FLSA Allocation and a separate Class Action Settlement Check reflecting any other settlement allocations. Each Class Member who negotiates or cashes an FLSA Settlement Check will be deemed to have "opted-in" to this collective action pursuant to the Fair Labor Standards Act ("FLSA"), 29 U.S.C. § 201 et seq., and will thereby forever release, acquit and discharge, and covenant not to sue Zillow for all causes of action, claims, liens, demands, damages, penalties, fines, wages, liquidated damages, restitutionary amounts, attorneys' fees and cost, punitive damages, controversies and liabilities which were alleged in this Litigation, or which could have been alleged in this Litigation, under the FLSA, 29 U.S.C. § 201 et seq., whether such claims are known or unknown. A Class Member may remain in the class action, but decline to join the FLSA Collective Action by declining to negotiate or cash his or her FLSA Settlement Check.

Class Members expressly waive any and all rights that they may have under any law that would limit the release to claims actually known or suspected to exist at the time of the settlement, including the provisions of Section 1542 of the California Civil Code, which provides as follows: "GENERAL RELEASE CLAIMS EXTINGUISHED. A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR."

6. What happens if the Court does not approve the Settlement?

If the Court does not approve the proposed settlement, the case will proceed as if no settlement has been attempted and there can be no assurance that the class will recover more than is provided for in this Settlement or, indeed, anything.

7. When is the Fairness Hearing?

A hearing will be held before the Honorable Josephine L. Staton in the Central District of California Federal Courthouse, Santa Ana Division, at 2:30 p.m. on Friday, September 8, 2017, at 411 West Fourth Street, Courtroom 10A, Santa Ana, CA 92701-4516. The purpose of the hearing is for the Court to decide whether the proposed settlement is fair, reasonable, and adequate and should be approved and, if so, to determine what amount of attorneys' fees and expenses should be awarded to Class Counsel and what amount should be awarded as a Service Award to the Class Representative. The time and date of this hearing may be changed without further notice.

8. What are my options regarding the Settlement?

If you are receiving this Notice, you have the following options:

A. Participate Fully in the Settlement: To receive a full monetary payment from this Settlement, you do not have to do anything at this time. Assuming the Court approves the Settlement, as submitted, you will receive one or more checks for your share of the Settlement. One of your checks may be dedicated to your share of the Fair Labor Standards Act Settlement. By negotiating this separate check dedicated to the Fair Labor Standards Act Settlement, you will be opting into the Fair Labor Standards Act Settlement and releasing claims under the Fair Labor Standards Act as well. If you do not negotiate your settlement check dedicated to the Fair Labor Standards Act Settlement, you will not be releasing claims under the Fair Labor Standards Act, but you will not be receiving any compensation under the Settlement for those claims either. If you do not receive a separate check for the Fair Labor Standards Act Settlement, you will not be releasing any claims under the Fair Labor Standards Act. If you change your address after receiving this Notice, you must contact the Settlement Administrators at Freeman v. Zillow, c/o Garden City Group LLC, P.O. Box 35100, Seattle, WA 98124-1100, or email info@insidesalesconsultantsettlement.com or you may not receive your settlement benefits.

B. Remain Part of the Class Action Settlement but Refuse to Join the Fair Labor Standards Act Settlement: To receive a monetary payment only for the Class Action Settlement, you do not have to do anything at this time. Assuming the Court approves the Settlement, as submitted, you will receive one or more checks for your share of the Settlement. One of your checks may be dedicated to your share of the Fair Labor Standards Act Settlement. By refusing to negotiate this separate check dedicated to the Fair Labor Standards Act Settlement, you will not become part of the Fair Labor Standards Act Settlement and will not be releasing any claims under the Fair Labor Standards Act. If you do negotiate this settlement check dedicated to the Fair Labor Standards Act Settlement, you will release those claims and receive your allocation of the Settlement for those claims. If you do not receive a separate check for the Fair Labor Standards Act Settlement, you will not be releasing any claims under the Fair Labor Standards Act. If you change your address after receiving this Notice, you must contact the Settlement Administrators at Freeman v. Zillow, c/o Garden City Group LLC, P.O. Box 35100, Seattle, WA 98124-1100, or email info@insidesalesconsultantsettlement.com or you may not receive your settlement benefits.

C. Request to be Excluded: If you wish to be entirely excluded from the Settlement Class, you must make a signed, written request to be entirely excluded. To be effective, the request for exclusion must be postmarked no later than **July 17, 2017**, to Freeman v. Zillow, c/o Garden City Group LLC, P.O. Box 35100, Seattle, WA 98124-1100. Any request for exclusion must state your name, address, email address, telephone number, approximate date(s) of employment and job title(s) at Zillow, and must state that you request to be “excluded from the Settlement and the Class in *Freeman v. Zillow*,” and must include your signature. Your request for exclusion shall not be effective unless it provides all of the required information in the manner set forth herein, and is made within the time period stated herein, unless otherwise ordered by the Court. If you exclude yourself, you will not receive any monies from the settlement.

Failure to sign or to timely submit your request will result in you remaining subject to the Settlement and being bound by any final judgment. If you validly and timely request exclusion from the Settlement, you will not be bound by the Settlement, and you will not be precluded from instituting or prosecuting any individual claim you may otherwise have against Zillow related to the subject matter of this Litigation.

D. Object: If you are a Class Member and you do not request to be excluded, you may object to the terms of the settlement and/or to Class Counsel’s request for attorneys’ fees and expenses, and/or to the Service Award for the Class Representative. If you object and the settlement is approved, you will be barred from bringing your own individual lawsuit asserting claims related to the matters referred to in the Litigation, and you will be bound by the final judgment and release and all Orders entered by the Court. You may, but need not, enter an appearance through counsel of your choice. If you do, you will be responsible for your own attorneys’ fees and costs.

To be considered by the Court, an objection must be in writing and mailed no later than **July 17, 2017** to the address for the Claims Administrator, Class Counsel, and Zillow’s Counsel provided below:

Freeman v. Zillow	Mark Geragos	Bobby Samini	Steven G. Sklaver
c/o Garden City Group LLC	mark@geragos.com	bsamini@saminilaw.com	ssklaver@susmangodfrey.com
P.O. Box 35100	Geragos & Geragos	Samini Scheinberg PC	Amanda K. Bonn
Seattle, WA 98124-1100	644 South Figueroa Street	840 Newport Center Drive	abonn@susmangodfrey.com
	Los Angeles, CA 90017	Suite 700	SUSMAN GODFREY L.L.P.
		Newport Beach, CA 92660	1901 Avenue of the Stars
			Suite 950
			Los Angeles, CA 90067

To be considered by the Court, any written objection must include the following information: a statement of objection to the settlement in the Action; your name, address, and telephone number; the specific reasons why you object to the settlement (including any legal support); any evidence or other information you intend to rely on; a list of all cases in which you and/or your counsel (if any) has filed or in any way participated in—financially or otherwise—objections to a class action settlement in the preceding five years; a statement whether you intend to appear at the Fairness Hearing; and your signature. Objections that fail to satisfy these requirements or to satisfy any other requirements found in this Notice shall not be considered by the Court.

If you do not make your written objection in the manner provided above, you shall be deemed to have waived such objection and shall forever be foreclosed from making any objections (by appeal or otherwise) to any aspect of the Settlement, the Plan of Allocation, or to the application for attorneys' fees, expense reimbursements, and incentive awards, unless otherwise ordered by the Court, but shall otherwise be bound by the Judgment to be entered in the action and the releases and waivers contained in the settlement. Any Class Member who is satisfied with the proposed settlement need not appear at the hearing.

9. Are there more details available?

The foregoing is only a summary of this litigation and the proposed settlement and does not purport to be comprehensive. For a more detailed statement of the matters involved in this case and the proposed settlement, you may refer to the pleadings, the Settlement Agreement of Class Action Claims, and other papers filed with the Court, which may be found online at the following website: <http://www.insidesalesconsultantsettlement.com>. All papers filed in this action, including a copy of the application for fees and costs and a service award, will be available for review via the Courthouse and via the Public Access to Court Electronic Resources System (PACER), available online at <http://www.pacer.gov>.

For any additional inquiries concerning this case, you may also contact the Claims Administrator at **1-855-719-2801**. **PLEASE DO NOT CONTACT THE CLERK OF COURT WITH INQUIRIES.**

Dated: **June 2, 2017**

/s/ Honorable Josephine L. Staton

BY ORDER OF THE COURT