

SUPERIOR COURT OF THE STATE OF CALIFORNIA, COUNTY OF ALAMEDA

Flowers, et al. v. Twilio, Inc., Case No. RG16-804363

IF, WHILE IN CALIFORNIA, YOU MADE OR RECEIVED A PHONE CALL OR TEXT MESSAGE RELATED TO HANDY OR HOMEJOY OR A TEXT MESSAGE RELATED TO TRULIA THAT WAS RECORDED BY TWILIO, YOU MAY BE ENTITLED TO A PAYMENT FROM A CLASS ACTION SETTLEMENT.

- A settlement has been reached in a class action lawsuit against Twilio Inc., a cloud communications service provider. The class action lawsuit alleges that Twilio recorded phone calls and text messages for its customers Handy Technologies, Inc. (“Handy”) and Homejoy, Inc. (“Homejoy”) and text messages for its customer Trulia, LLC (“Trulia”), without obtaining the consent of all parties to those communications in violation of California privacy law. Twilio denies it violated any law, but has agreed to settle the claims against it.
- You are included in the class if, while in California, you either:
 - made or received a phone call that Twilio recorded for an account linked to Homejoy between April 21, 2010 and March 31, 2016;
 - made or received a phone call that Twilio recorded for an account linked to Handy between April 21, 2010 and June 29, 2017;
 - sent or received a text message that Twilio recorded for an account linked to Homejoy between April 21, 2010 and March 31, 2016;
 - sent or received a text message that Twilio recorded for an account linked to Trulia between April 21, 2010 and April 26, 2018; or
 - sent or received a text message that Twilio recorded for an account linked to Handy between April 21, 2010 and April 25, 2016.
- Persons included in the Settlement will be eligible to receive a portion of the Settlement Fund based on whether their recorded communication(s) involved a phone call or only text messages. Note that certain persons are excluded from the Settlement Class, as further described in Question 5. Twilio has also agreed that, for a period of two (2) years following entry of Judgment, it will update its Acceptable Use Policy to specify that its customers must secure all legally required consents prior to using Twilio’s services to record communications.
- Read this Notice carefully. Your legal rights are affected whether you act or don’t act.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING	You will automatically receive your share of the Settlement if the Settlement Administrator has your correct mailing address.
EXCLUDE YOURSELF	You will receive no benefits, but you will retain any rights you currently have to sue the Released Parties about the claims in this case.
OBJECT	Write to the Court explaining why you don’t like the Settlement. The Court has no power to change the Settlement. The Court can only approve or disapprove of it in its entirety.
GO TO THE HEARING	Ask to speak in Court about your opinion of the Settlement.

Your rights and options—and the deadlines to exercise them—are explained in this Notice.

BASIC INFORMATION

1. Why is there a Notice?

A Court authorized this Notice because you have a right to know about a proposed Settlement of this class action lawsuit and about all of your options, before the Court decides whether to give final approval to the Settlement. This Notice explains the lawsuit, the Settlement, and your legal rights.

The Honorable Brad Seligman, of the Alameda County Superior Court in California, is overseeing this case. The case is called *Flowers, et. al v. Twilio, Inc.*, Case No. RG16-804363. The person who has sued is called the Plaintiff. The Defendant is Twilio Inc.

2. What is a class action?

In a class action, one or more people called Class Representatives (in this case, Angela Flowers) sue on behalf of a group or a “class” of people who have similar claims. In a class action, the court resolves the issues for all class members, except for those who exclude themselves from the Class.

3. What is the lawsuit about?

This lawsuit alleges that Twilio violated the California Invasion of Privacy Act, California Penal Code §§ 630 et. seq. (“CIPA”) by intercepting and recording phone calls and text messages for its customers Handy and Homejoy and text messages for its customer Trulia that were sent to and from Class Members while they were in California and without their consent. Twilio denies it violated any law. The Court has not determined who is right. Rather, the Parties have agreed to settle the lawsuit to avoid the uncertainties and expenses associated with ongoing litigation.

4. Why is there a Settlement?

The Court has not decided whether the Plaintiff or the Defendant should win this case. Instead, both sides agreed to a Settlement. That way, they avoid the uncertainties and expenses associated with ongoing litigation, and Class Members will get compensation sooner rather than, if at all, after the completion of a trial.

WHO IS INCLUDED IN THE SETTLEMENT?

5. How do I know if I am in the Settlement Class?

The Settlement Class, as reflected in Twilio’s and other related data and totaling over 400,000 members, includes:

The CIPA § 631 Class: All persons who, while in California either:

- made or received a phone call that Twilio recorded for an account linked to Homejoy between April 21, 2010 and March 31, 2016;
- made or received a phone call that Twilio recorded for an account linked to Handy between April 21, 2010 and June 29, 2017;
- sent or received a text message that Twilio recorded for an account linked to Homejoy between April 21, 2010 and March 31, 2016;
- sent or received a text message that Twilio recorded for an account linked to Trulia between April 21, 2010 and April 26, 2018; or
- sent or received a text message that Twilio recorded for an account linked to Handy between April 21, 2010 and April 25, 2016.

The CIPA § 632.7 Class: All persons who, while in California and using a cell phone either:

- made or received a phone call that Twilio recorded for an account linked to Homejoy between April 21, 2010 and March 31, 2016;
- made or received a phone call that Twilio recorded for an account linked to Handy between April 21, 2010 and June 29, 2017;
- sent or received a text message that Twilio recorded for an account linked to Homejoy between April 21, 2010 and March 31, 2016;
- sent or received a text message that Twilio recorded for an account linked to Trulia between April 21, 2010 and April 26, 2018; or
- sent or received a text message that Twilio recorded for an account linked to Handy between April 21, 2010 and April 25, 2016.

Excluded from the Classes are: (1) individuals classified as employees of Twilio, Handy, Homejoy or Trulia; (2) real estate agents of Trulia (i.e., real estate agents advertising listings and services on Trulia’s website); (3) Plaintiff’s and Defendant’s counsel and their respective employees; and (4) court personnel.

THE SETTLEMENT BENEFITS

6. What does the Settlement provide?

Monetary Relief: Defendant has agreed to pay a total Settlement Fund of \$10,000,000, which will be distributed in the following amounts, subject to Court approval: (1) approximately \$5.886 million for the Settlement Class of over 400,000; (2) estimated settlement administration expenses of \$410,000; (3) \$20,000 to the Class Representative for her work in creating the Settlement; and (4) up to \$3,333,333.33 in attorneys’ fees and a separate amount for out-of-pocket litigation costs (expected to be no more than \$350,000) as awarded by the Court.

Privacy Protections: In addition to this monetary relief, for a period of two (2) years following Final Judgment, Twilio will update its Acceptable Use Policy to specify that its customers must secure all legally required consents prior to using Twilio’s services to record communications.

A detailed description of the settlement benefits can be found in the Settlement Agreement.

7. How much will my payment be?

If you are a member of the Settlement Class, you are eligible to receive a portion of the Settlement Fund after deducting settlement administration expenses, attorneys’ fees and costs, and the Service Award (“Net Settlement Fund”). For those with valid mailing addresses, the payments to Class Members will be distributed pro rata based on the type of recorded communication. Each Settlement Class Member who had only a text message recorded by Defendant will receive one share, while each Settlement Class Member who had at least one telephone call recorded by Defendant will receive eight shares. The value of one share will be determined by dividing the Net Settlement Fund by the total number of shares allocated to the Settlement Class. The Settlement Administrator estimates that a Class Member with a recorded phone call will receive \$64.30 and a Class Member with only a recorded text message will receive \$8.04. This is only an estimate and may change as the Settlement awards are finalized.

8. When will I get my payment?

The hearing to consider the fairness of the Settlement is scheduled for June 11, 2019. If the Court approves the Settlement, eligible Class Members will be sent their payment sixty (60) days after the Settlement receives final approval and any appeals of the Settlement are resolved. The payment will be made in the form of a check, and all checks will expire and become void ninety (90) days after they are issued. If there are any funds left from uncashed checks after the void date, then those funds will be paid to *cy pres* beneficiary organizations approved by the Court. Subject to Court approval, the parties have proposed Youth Law Center receive any residual funds.

HOW TO GET BENEFITS

9. How do I get a payment?

If you are a Class Member for whom the Settlement Administrator has a correct mailing address and you want to get a payment, you do not need to do anything. Payments will be automatically sent to Class Members who do not validly exclude themselves from the Settlement and for whom the Settlement Administrator has a correct mailing address. If you move after receiving this Notice, please contact the Settlement Administrator and provide your updated mailing address to ensure any payments are sent to the correct address.

If you are a Class Member and are not sure if the Settlement Administrator has your correct mailing address and complete name, you can visit www.californiarecordingsettlement.com and provide the requested information to verify Class membership and to provide a correct mailing address and complete name. The Settlement Administrator will decide whether the information you provide verifies you as a Class Member.

REMAINING IN THE SETTLEMENT

10. What am I giving up if I stay in the Class?

If the Settlement becomes final, you will give up your right to sue Twilio or the Released Parties for the claims this Settlement resolves. The Settlement Agreement describes the specific claims you are giving up against the Released Parties. You will be “releasing” the Released Parties as described in Paragraphs 1.20-1.21 and 3.1-3.2 of the Settlement Agreement. The Settlement Agreement is available through the “case documents” link on the website.

The Settlement Agreement describes the released claims with specific descriptions, so read it carefully. If you have any questions, you can talk to the lawyers listed in Question 11 for free or you can, of course, talk to your own lawyer if you have questions about what this means.

THE LAWYERS REPRESENTING YOU

11. Do I have a lawyer in the case?

The Court previously appointed the law firms Goldstein, Borgen, Dardarian & Ho and the Law Offices of Benjamin Edelman to be Class Counsel. They believe, after extensive investigation and litigation, that the Settlement Agreement is fair, reasonable, and in the best interests of the Settlement Class. You will not be charged for these lawyers. If you want to be represented by your own lawyer in this case, you may hire one at your expense.

12. How will the lawyers be paid?

Twilio has agreed to pay Class Counsel attorneys’ fees and costs in an amount to be determined by the Court. To achieve this Settlement, Class Counsel has spent thousands of hours investigating and litigating this class action and paid with their own money hundreds of thousands of dollars in out-of-pocket expenses – all without guarantee of repayment. The fee petition will seek no more than one-third of the Settlement Fund, plus reimbursement of costs and expenses. Under the Settlement Agreement, any amount awarded to Class Counsel will be paid out of the Settlement Fund.

Subject to approval by the Court, Twilio has agreed to pay the Class Representative up to \$20,000 from the Settlement Fund for her services in helping to bring and settle this case.

EXCLUDING YOURSELF FROM THE SETTLEMENT

13. How do I get out of the Settlement?

To exclude yourself from the Settlement, you must mail or otherwise deliver a letter (or request for exclusion) stating that you want to be excluded from the *Flowers, et al. v. Twilio, Inc.* settlement. Your letter or request for exclusion must also include your name, your address, the name and number of the case (*Flowers, et al. v. Twilio, Inc.*, Case No. RG16-804363), your signature, and a statement that you wish to be excluded from the Settlement. You must mail with a postmark of or deliver your exclusion request no later than **April 30, 2019** to:

Flowers v. Twilio Settlement Administrator
P.O. Box 404103
Louisville, KY 40233-4103

14. If I don't exclude myself, can I sue the Released Parties for the same thing later?

No. Unless you exclude yourself, you give up any right to sue any of the Released Parties for the claims being resolved by this Settlement.

15. If I exclude myself, can I get anything from this Settlement?

No. If you exclude yourself, you cannot receive any payment from the Settlement.

OBJECTING TO THE SETTLEMENT

16. How do I object to the Settlement?

If you are a Class Member, you can object to the Settlement if you think the Court should reject the Settlement as a whole. The Court can only approve or deny the entire Settlement and cannot change specific terms of the Settlement. To object, you must give reasons why you think the Court should not approve it. The Court will consider your views. An objection must include the case name and number, your name, your current residential address, the basis upon which you claim to be a Class Member, all grounds for the objection, including all citations to legal authority and evidence supporting the objection, a statement whether you intend to appear at the Final Approval Hearing (either personally or through counsel), and your signature. To be valid, you must send your objection to the Settlement Administrator postmarked no later than **April 30, 2019**, to the following address:

Flowers v. Twilio Settlement Administrator
P.O. Box 404103
Louisville, KY 40233-4103

17. What is the difference between objecting and excluding myself from the Settlement?

Objecting means telling the Court that you do not want the Court to approve the Settlement in its entirety. You can object only if you stay in the Class. Excluding yourself from the Class is telling the Court that you don't want to be part of the Class. If you exclude yourself, you have no basis to object because the case no longer affects you.

THE COURT'S FINAL APPROVAL HEARING

18. When and where will the Court decide whether to approve the Settlement?

The Court will hold the Final Approval Hearing at 3 p.m. on **June 11, 2019**, in Department 23 of the Alameda County Superior Court, located at 1221 Oak Street, 4th Floor, Oakland, CA 94612. The purpose of the hearing will be for the Court to determine whether to approve the Settlement as fair, reasonable, adequate, and in the best interests of the Class; to consider Class Counsel's request for attorneys' fees and expenses; and to consider the request for a Service Award to the Class Representative. At that hearing, the Court will be available to hear any objections and arguments concerning the fairness of the Settlement.

The hearing may be postponed to a different date or time without notice, so it is a good idea to check www.californiarecordingsettlement.com or call 1-855-256-1969.

19. Do I have to come to the hearing?

No. Class Counsel will answer any questions the Court may have. But, you may come at your own expense. If you send an objection or comment, you don't have to come to Court to talk about it. As long as you filed and mailed a valid, written objection on time, the Court will consider it. You may also pay another lawyer to attend, but it's not required.

20. May I speak at the hearing?

Yes. You may ask the Court for permission to speak at the Final Approval Hearing. To do so, you must include in your objection to the Settlement a statement saying that you intend to appear in person.

GETTING MORE INFORMATION

21. Where do I get more information?

This Notice summarizes the Settlement. More details are in the Settlement Agreement. You can view a copy of the Settlement Agreement at www.californiarecordingsettlement.com. The pleadings and other records in this litigation may be examined online on the Alameda County Superior Court's website, known as "DomainWeb" at <https://publicrecords.alameda.courts.ca.gov/PRS>. After arriving at the website, click the "Search By Case Number" link, then enter RG16-804363 as the case number and click "SEARCH." Images of every document field in the case may be viewed through the "Register of Actions" at a minimal charge. You may also view images of every document filed in the case free of charge by using one of the computer terminal kiosks available at each court location that has a facility for civil filings.

If you have additional questions, you can contact the Settlement Administrator at:

Flowers v. Twilio Settlement Administrator
P.O. Box 404103
Louisville, KY 40233-4103
1-855-256-1969

You may also contact Class Counsel at:

Goldstein, Borgen, Dardarian & Ho
300 Lakeside Dr., Ste. 1000
Oakland, CA 94612
1-800-531-4446
recordingsettlement@gbdhlegal.com

You may also find additional information elsewhere on the case website.

DO NOT CONTACT EITHER TWILIO OR THE COURT ABOUT THIS SETTLEMENT.