#### NOTICE OF CLASS ACTION SETTLEMENT

# TO: ALL NATURAL PERSONS IN THE UNITED STATES WHO HAVE NEVER ESTABLISHED A GMAIL ACCOUNT WITH GOOGLE AND WHO SENT EMAILS TO INDIVIDUALS WITH GMAIL ACCOUNTS.

A class action settlement has been reached with Google affecting people who have never had a Gmail account of their own, but have sent an email to a Gmail account (the "Settlement"). The Settlement requires Google to make business practice changes regarding the way it processes emails involving Gmail users. The Settlement does not provide money compensation to the class members. The plaintiffs' lawyers will request that the Court award them reasonable attorneys' fees and expenses as compensation for their obtaining Google's agreement to make changes to its business practices.

You are not required to take any action. This Notice further explains the litigation, Settlement, and how you may comment or object to the Settlement if you want.

# **Summary of the Action**

The plaintiffs in this case allege that Google applies automated processing to scan the content of emails sent by non-Gmail users to a Gmail account, while those emails are still in transit, and uses information obtained from the scanning for advertising purposes including creating user profiles of the Gmail users. In the case plaintiffs filed in the United States District Court for the Northern District of California (the "District Court"), entitled *Matera v. Google Inc.*, 5:15-cv-04062 LHK (the "Action"), they alleged that Google's conduct violates the California Invasion of Privacy Act, Penal Code § 630 *et seq.*, ("CIPA") and the Electronic Communications Privacy Act, 18 U.S.C. § 2510 *et seq.*, ("Wiretap Act"). The complaint requests that Google be required to change its practices and stop scanning emails of non-Gmail users as described above. The complaint does not seek any form of money compensation for the plaintiffs or other class members.

The Court has not made any determination of any wrongdoing by Google, and Google denies the allegations of the complaint and plaintiffs' claims that Google's automated processing of email violates CIPA or the Wiretap Act. On July 21, 2017 the parties agreed to settle all claims in the Action to avoid the costs and disruption of further litigation.

# **Summary of the Proposed Settlement**

In the Settlement, Google has agreed to cease all automated scanning of emails sent to Gmail accounts for advertising purposes while the emails are in transmission prior to delivery to the Gmail user's inbox. This includes elimination of any scanning to create user profiles for advertising purposes. The Settlement defines advertising purposes as "for the purpose of serving advertisements, including advertisements served in Gmail and in other Google products and services. 'Advertising Purposes' includes the creation of user models for the purpose of serving advertising." Although Google does not currently conduct any scanning for advertising purposes related to outbound emails sent by Gmail users, Google has agreed to refrain from initiating any scanning for advertising purpose of outbound emails. These prohibitions will remain in place for three years.

Google also is making a business-related change to the Gmail service, as part of which, Google will no longer scan the contents of emails sent to Gmail accounts for advertising purposes, whether during the transmission process or after the emails have been delivered to the Gmail user's inbox. These changes are not subject to the three-year time period or other terms of the Settlement. Google views these additional changes as independent of the Settlement, but as consistent with and evidencing Google's commitment to the Settlement.

#### **Settlement Class Members**

You are a Settlement Class Member if you are a natural person (that is, not a business or other legal entity) in the United States who has never had a Google Gmail account, but have sent an email to any person or entity which was not encrypted. (Emails are typically sent without special encryption, or coding for secrecy, and plaintiffs do not allege that encrypted emails were subject to Google's scanning.) For all Settlement Class Members, the Settlement resolves their claim under the federal Wiretap Act. For Settlement Class Members within the State of California, the Settlement also resolves their claim under California's CIPA law. The Settlement Class and Subclass are defined as follows:

All natural persons in the United States who have never established a Gmail account with Google, and who sent unencrypted emails to individuals with Gmail accounts.

All natural persons in the State of California who have never established a Gmail account with Google, and who sent unencrypted emails to individuals with Gmail accounts.

### Your Rights May Be Affected by the Settlement

If you have never had a Gmail account with Google but you sent unencrypted emails to Gmail users in the past, or if you intend to do so in the future, your rights may be affected by this Settlement. If approved by the Court, the Settlement will affect your right to seek injunctive, declaratory and other non-monetary equitable relief against Google for the alleged practices at issue in this Action. The Settlement will not affect your right, if any, to seek monetary relief from Google. You may obtain copies of the Settlement Agreement and related court filings, including the Fee and Expense Application, by writing to *Matera v. Google, Inc.* Settlement Administrator, P.O. Box 404024, Louisville, KY 40233-4024, or on the internet at www.gmailsettlement.com.

## No Opt-Outs

Because the plaintiffs are seeking only injunctive relief and Google is only agreeing to injunctive relief, Class Members cannot opt out of the Settlement. This means that all members of the Settlement Classes will be bound by the Settlement if the Court approves it.

#### Release

If the Settlement is approved, Settlement Class Members will be deemed to have released Google from and for any and all claims, whether known or unknown, which you have or may have in the future, that were alleged or asserted against Google in the Action or that could have been alleged or asserted against Google in the Action. Notwithstanding the foregoing, you will only be deemed to have released claims for declaratory, injunctive, and non-monetary equitable relief. You will not be deemed to have released any claims for monetary relief.

# Plaintiffs' Counsel's Request for Reasonable Attorneys' Fees and Costs

The individual plaintiffs and the Settlement Classes are represented by Lieff Cabraser Heimann & Bernstein, LLP; Carney Bates & Pulliam, PLCC; and Gallo LLP ("Class Counsel"). Class Counsel will request that the Court award them a reasonable attorneys' fee and reimbursement of their costs for their service to the Settlement Class in litigating this Action and obtaining the Settlement for the benefit of the Settlement Class Members. Any attorneys' fee and costs awarded by the Court will be paid solely by Google. Google will not oppose a Fee and Expense Application that does not exceed \$2,200,000 in fees and Class Counsel's actual out-of-pocket expenses up to \$100,000. Class Counsel will also request that the two named plaintiffs in the Action each receive a service award of \$2,000. These requests for an award of attorney's fees and costs and service awards will be filed with the Court on or before October 30, 2017 and will be available for review on the internet at www.gmailsettlement.com.

#### Final Approval Hearing, Comments, and Objections

The proposed Settlement will not be final unless and until the United States District Court approves it. The Court has set a final approval hearing about the proposed Settlement at 1:30 p.m. on February 8, 2018 before the Honorable Lucy H. Koh, United States District Court Judge, in Courtroom 8, at the Robert F. Peckham Federal Building, 280 South First Street, San Jose, California, to determine whether: (1) the proposed Settlement is fair, reasonable, and adequate; (2) a Judgment and Order of Final Approval should be entered by the District Court to dismiss the Action with prejudice; and (3) the plaintiffs' lawyers' Fee and Expense Application should be approved. Any Settlement Class Member may submit a comment or objection to the Settlement. Comments or objections must be submitted in writing by January 19, 2018, to the Settlement Administrator at the address below, referencing "Matera v. Google Inc., 5:15-CV-04062." To be considered, any objection must contain: (i) the objector's name, address, and personal signature; (ii) a statement whether the objector intends to appear at the final approval hearing, either in person or through counsel, and, if through counsel, identifying the counsel; and (iii) a statement of the grounds for the objection. If you do not submit a timely written objection, or if you do not request participation in the final approval hearing, you will not be able to participate in the final approval hearing. Submit comments or objections to:

Matera v. Google, Inc. Settlement Administrator P.O. Box 404024 Louisville, KY 40233-4024

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#### **More Information**

You may obtain more information at www.gmailsettlement.com or by contacting the Settlement Administrator at:

Matera v. Google, Inc. Settlement Administrator P.O. Box 404024 Louisville, KY 40233-4024

# PLEASE DO NOT CONTACT THE DISTRICT COURT OR THE CLERK'S OFFICE WITH QUESTIONS REGARDING THIS NOTICE.

This Notice is not an expression of any opinion by the Court as to the merits of the lawsuit or as to the fairness of the Settlement. This Notice is published to advise you of the pendency of the Actions, the Settlement, and your associated rights.

DATED: September 21, 2017

BY ORDER OF THE DISTRICT COURT,
UNITED STATES DISTRICT COURT FOR
THE NORTHERN DISTRICT OF CALIFORNIA