

**UNITED STATES OF AMERICA  
BEFORE THE FEDERAL TRADE COMMISSION**

**COMMISSIONERS:**    **Lina M. Khan, Chair**  
                              **Noah Joshua Phillips**  
                              **Rebecca Kelly Slaughter**  
                              **Christine S. Wilson**  
                              **Alvaro M. Bedoya**

**In the Matter of HOMEADVISOR, INC.,  
a corporation,  
d/b/a ANGI LEADS,  
d/b/a HOMEADVISOR POWERED BY ANGI.**

**ORAL ARGUMENT REQUESTED**

Docket No. 9407

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**RESPONDENT HOMEADVISOR, INC.'S MEMORANDUM OF LAW IN OPPOSITION  
TO COMPLAINT COUNSEL'S MOTION FOR SUMMARY DECISION**

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**QUINN EMANUEL URQUHART  
& SULLIVAN, LLP**

Stephen R. Neuwirth  
Jennifer J. Barrett  
Kathryn D. Bonacorsi  
Neil T. Phillips  
George T. Phillips  
51 Madison Avenue, 22nd Floor  
New York, NY 10010  
(212) 849-7000  
stephennuwirth@quinnemanuel.com  
jenniferbarrett@quinnemanuel.com  
kathrynbacorsi@quinnemanuel.com  
neilphillips@quinnemanuel.com  
georgephillips@quinnemanuel.com

William A. Burck  
Dawn Y. Yamane Hewett  
Kyra R. Simon  
1300 I Street NW, 9th Floor  
Washington, DC 20005  
(202) 538-8000  
williamburck@quinnemanuel.com  
dawnhewett@quinnemanuel.com  
kyrasimon@quinnemanuel.com

*Counsel to Respondent HomeAdvisor, Inc.*

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## I. INTRODUCTION

Complaint Counsel’s motion for summary decision (“**Motion**” or “**Br.**”), filed on April 7, 2022 – less than one month after Complaint Counsel commenced this action before the Administrative Law Judge (“**ALJ**”) on March 11, 2022, and with discovery barely underway in the ALJ proceeding – is blatantly premature. The Motion also is wholly meritless. Every material “fact” identified by Complaint Counsel has been, and remains, in dispute, on the basis of evidence that Complaint Counsel disregards or miscasts. The Motion asks the Commission to make a sham of the ALJ proceeding, by foreclosing the very discovery, witness testimony, assessment of a full evidentiary record, and factfinding over which the ALJ has jurisdiction. Indeed, the Motion appears to be an attempted end-run around the Supreme Court’s recent holding in *AMG Cap. Mgmt., LLC v. F.T.C.*, 141 S. Ct. 1341 (2021).<sup>1</sup>

The Motion claims the undisputed facts purportedly show that, since 2014, HomeAdvisor has systemically misled hundreds of thousands of service professionals (“SPs” or “pros”) about the nature and quality of leads that HomeAdvisor sells, improperly resulting in HomeAdvisor’s receipt of hundreds of millions of dollars of annual and per-lead fees from its SP members. But the Motion lacks any actual evidence of *systemic* misrepresentations or of any connection between these supposed misrepresentations and the myriad individual decisions by SPs to begin and maintain their HomeAdvisor memberships. Indeed, during the mere weeks since Complaint

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<sup>1</sup> *AMG* unanimously held that § 13(b) of the Federal Trade Commission Act (“**FTCA**”) “does not grant the Commission authority to obtain equitable monetary relief.” 141 S. Ct. at 1352 (mandating that the FTC’s only recourse to obtain restitution is via an administrative proceeding pursuant to FTCA §§ 5, 19). Having commenced this action before an ALJ, Complaint Counsel now seek to bypass that proceeding and instead obtain final judgment before the Commissioners who voted to issue the Complaint. When this action commenced, the FTC itself stated that “the allegations will be tried in a formal hearing before an administrative law judge.” *F.T.C. Release*: <https://www.ftc.gov/news-events/news/press-releases/2022/03/ftc-charges-homeadvisor-inc-cheating-businesses-including-small-businesses-seeking-leads-home>.



Counsel filed this Motion, even the purported anecdotal support for the Motion in 19 accompanying declarations – written by FTC staff – has crumbled during those declarants’ depositions. In deposition after deposition, these ghost-written “declarations” have been contradicted by the SPs’ and other witnesses’ own sworn recollections (or lack thereof) and uncontested documentary evidence. This and other evidence either directly undermines Complaint Counsel’s version of the facts, or at least compels further factfinding on Complaint Counsel’s factual assertions.

The Motion also ignores fundamental evidence about the actual nature of HomeAdvisor’s 25-year-old business, the pros and homeowners HomeAdvisor serves, and the lead generation industry, in which HomeAdvisor created a pioneering marketplace benefiting both pros and homeowners. The record establishes that HomeAdvisor operates a valuable and legitimate business with hundreds of thousands of satisfied members. From enrollment and throughout an SP’s membership, HomeAdvisor works to ensure that the pro understands the HomeAdvisor platform and achieves a positive return on investment. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]<sup>2</sup>

HomeAdvisor also is valuable to homeowners, who can harness its free, centralized marketplace to locate and connect, through a single search or service request, with multiple SPs who perform the requested task.<sup>3</sup> HomeAdvisor provides consumers with a wealth of information

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<sup>2</sup> HA-SOF ¶ 94(r).

<sup>3</sup> HA-SOF ¶¶ 23–24, 28–29.

to enable them to select the appropriate SP for a given task, including reviews, cost comparisons, and other data that streamline the buying process.<sup>4</sup> In just the last year, HomeAdvisor’s platform supported over 200,000 SPs across more than 30 million completed home improvement, repair, and maintenance projects – generating billions of dollars in jobs for these mostly small businesses.<sup>5</sup> Simply put, HomeAdvisor could not have succeeded since the early years of the Internet were it not a legitimate company providing a valuable service.

It is well-established under Commission Rule of Practice 3.24(a)(2) that a motion for summary decision should be denied where material fact issues remain in dispute. And federal appeals courts have not hesitated to reverse or remand where summary decision has been improvidently granted. Here, Complaint Counsel’s request for an order that would prohibit HomeAdvisor from saying almost anything about the operation of its business – without regard for whether those statements are true, without addressing the myriad factual disputes about precisely what statements would be misleading to a reasonable pro, and without any consideration of the context of the statements given how HomeAdvisor operates and the nature of this industry – is an improper use of the summary-decision process. The Motion, because it is premature or meritless or both, must be denied.

**II. RULE 3.24(A)(2) PERMITS SUMMARY DECISION ONLY IN THE ABSENCE OF MATERIAL FACT ISSUES**

**A. Any Genuine Issues of Material Fact Prohibit Summary Decision.**

A motion for summary decision under Commission Rule of Practice 3.24(a)(2) must be denied where there is an issue of material fact to be resolved at trial. *See* 16 C.F.R. § 3.24(a)(2). *See also In re McWane, Inc. & Star Pipe Prods., Ltd.*, Dkt. 9351, 2012 WL 4101793, at \*5 (F.T.C.

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<sup>4</sup> HA-SOF ¶¶ 23–24, 29, 45.

<sup>5</sup> HA-SOF ¶¶ 21, 29; Response to CC-SOF ¶ 79.

2012); *In re Basic Research, LLC*, Dkt. 9318, 2005 WL 1656329, at \*1 (F.T.C. 2005); *In re Polygram Holding, Inc.*, Dkt. 9298, 2002 FTC LEXIS 137, at \*1–2 (ALJ Op. Feb. 26, 2002), *aff'd*, 2003 FTC LEXIS 120 (Comm’n Op. July 24, 2003).

“To obtain summary decision, complaint counsel must establish with competent, admissible evidence that there is no genuine issue of material fact.” *In re Int’l Ass’n of Conf. Interpreters*, Dkt. 9270, 1995 WL 17003141, at \*1 (F.T.C. 1995). The Commission must construe the evidence, resolve all factual ambiguities, and draw all reasonable inferences in the light most favorable to the nonmovant. *See, e.g., Polygram Holding*, 2002 FTC LEXIS 137, at \*4–5; *McWane*, 2012 WL 4101793, at \*5. “Where there is conflicting evidence about the material issues of fact, summary decision is inappropriate.” *Int’l Ass’n of Conf. Interpreters*, 1995 WL 17003141, at \*1.<sup>6</sup>

The Commission can also deny a motion for summary decision to permit discovery. 16 C.F.R. § 3.24(a)(3)–(4); *In re Impax Labs*, Dkt. 9373, 2017 WL 5171124, at \*6 (F.T.C. 2017) (denying complaint counsel’s motion for partial summary decision for further factual development); *In re Health Research Labs*, Dkt. 9397, 2021 WL 5711355, at \*6 (F.T.C. 2021) (denying complaint counsel’s motion for summary decision for additional discovery and an evidentiary hearing before the ALJ, and explaining that Respondents deserved “an opportunity to contest the disputed issues”).

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<sup>6</sup> Even where summary judgment may be technically proper, “sound judicial policy and the proper exercise of judicial discretion permit denial of such a motion for the case to be developed fully at trial.” *In re Telebrands Corp.*, Dkt. 9313, 2004 WL 1720011, at \*2 (F.T.C. 2004) (citations omitted).

**B. The Fact-intensive Nature of this Case Makes Summary Decision Particularly Inappropriate.**

FTCA § 5 prohibits “unfair or deceptive acts or practices in or affecting commerce,” 15 U.S.C. § 45(a)(1), and “[a]n advertisement is deceptive if it contains a representation or omission of fact that is likely to mislead a consumer acting reasonably under the circumstances, and that representation or omission is material to a consumer’s purchasing decision,” *Health Research*, 2021 WL 5711355, at \*5 (citation omitted).

Cases like this one, involving alleged consumer deception based largely upon non-uniform oral statements, are necessarily fact-intensive and ill-suited for summary decision. *See Mueller v. Puritan’s Pride, Inc.*, 2022 WL 36003, at \*2 (N.D. Cal. Jan. 4, 2022); *F.T.C. v. Dalbey*, 2013 WL 934986 (D. Colo. Mar. 11, 2013); *F.T.C. v. Direct Benefits Grp., LLC*, 2012 WL 5430989, at \*4 (M.D. Fla. Nov. 7, 2012). Rather, a full record is necessary because “in determining whether an advertisement is deceptive, the Commission considers (1) what claims are conveyed in the ad; (2) whether those claims are false or misleading; and (3) whether the claims are material.” *Health Research*, 2021 WL 5711355, at \*5. Critically, “isolated instances of misrepresentation” do not suffice to establish a “general pattern or practice.” *In re Benjamin L. Hill*, 51 F.T.C. 48, 50 (1954) (dismissing complaint); *In re Nat’l Exec. Search, Inc.*, 76 F.T.C. 962, 1969 WL 101249, at \*14, \*27 (1969) (similar; dismissing complaint); *F.T.C. v. Lucaslaw Ctr. “Incorporated”*, 2010 WL 11523900, at \*2 (C.D. Cal. June 21, 2010) (upholding order denying summary judgment because “the FTC failed to meet its evidentiary burden as to . . . whether the misrepresentations were widely disseminated, necessary for a presumption of actual reliance, and also to whether there is a pattern or practice of the deceptive behavior”); *see also* Br. 31 (acknowledging same).

In evaluating whether advertising is deceptive, “the total impression created by the pictures, words and oral representations” must be considered “in the context in which they were

used, and in light of the sophistication and understanding of the persons to whom they were directed.” *In re Horizon Corp.*, 97 F.T.C. 464, 1981 WL 389410, at \*210 (1981). Moreover, “[a] representation does not become ‘false and deceptive’ merely because it will be unreasonably misunderstood by an insignificant and unrepresentative segment of the class of persons to whom the representation is addressed.” *In re Heinz W. Kirchner*, 63 F.T.C. 1282, 1963 WL 66830, at \*6 (1963).

“The general rule is that when the meaning or effect of words or acts is fairly disputed, *the question is for the trier of the facts, to be decided after hearing all material evidence.*” *In re Natural Organics, Inc.*, Dkt. 9294, 2001 WL 1478367, at \*2 (F.T.C. 2001) (emphasis added) (quoting *United States v. J. B. Williams Co., Inc.*, 498 F.2d 414, 431 (2d Cir. 1974)).

**C. Federal Appellate Courts Reverse Improper Summary Decision Orders.**

FTCA § 5(c) grants the respondent an immediate right to petition an Article III appellate court for review of a Commission decision to grant summary decision and enter a cease-and-desist order. 15 U.S.C. § 45(c). The federal appellate courts will reverse an improper or premature Commission grant of summary decision. *See, e.g., 1-800 Contacts, Inc. v. F.T.C.*, 1 F.4th 102, 110 (2d Cir. 2021); *Schering-Plough Corp. v. F.T.C.*, 402 F.3d 1056, 1071 (11th Cir. 2005); *E.I. du Pont De Nemours & Co. v. F.T.C.*, 729 F.2d 128, 141 (2d Cir. 1984). Notably, in *Trans Union Corp. v. F.T.C.*, the D.C. Circuit did not defer to the Commission’s factfinding because the Commission utilized summary decision procedures. 81 F.3d 228, 230 (D.C. Cir. 1996). The D.C. Circuit recognized that the standard is simply whether there is a disputed issue of material fact, and where (as there, and as here) such a dispute exists, the Commission’s disregard of that dispute “requires reversal.” *Id.*

**III. MATERIAL FACT ISSUES PRECLUDE SUMMARY DECISION HERE**

**A. Complaint Counsel Has Not Established the Absence of any Genuine Material Fact Issues Regarding Whether HomeAdvisor Allegedly Misrepresents the Readiness of its Leads To Hire.**<sup>7</sup>

**1. Genuine material fact issues exist as to whether any alleged deceptive statements on readiness to hire were systemic or a general pattern or practice.**

Complaint Counsel asserts that HomeAdvisor “has promised service providers that its leads would concern ‘serious,’ ‘ready-to-hire,’ and ‘project-ready’ homeowners and yet routinely sold them leads that were anything but.” Br. 5; *id.* at 12–16. Complaint Counsel argues that regardless of the nature, complexity, and cost of the project, all of these terms meant HomeAdvisor has “represented that its leads concern homeowners who want to hire a service provider *soon*,” *id.* at 12–13 (emphasis added) – an inherently inexact term that Complaint Counsel never defines. Complaint Counsel, however, provides no actual evidence that any of these statements were made systemically or as a general or widespread pattern or practice.

**a. The declarations do not support summary decision.**<sup>8</sup>

Certain of Complaint Counsel’s declarants [REDACTED]  
[REDACTED] [REDACTED]

[REDACTED]<sup>10</sup> And even the few declarations that included the cited phrases only raise further material issues as to those facts: None of the [REDACTED] any of the statements attributed to HomeAdvisor sales representatives in their [REDACTED]

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<sup>7</sup> HomeAdvisor disputes Complaint Counsel’s factual assertions on this point. *See generally* HA-SOF ¶¶ 1–129; Responses to CC-SOF ¶¶ 61–69.

<sup>8</sup> *See generally* HA-SOF ¶¶ 88–109.

<sup>9</sup> HA-SOF ¶¶ 88, 128.

<sup>10</sup> HA-SOF ¶ 128.

██████████<sup>11</sup> Many of these deponents ██████████  
██████████  
██████████ – which raises the issue of whether  
details included reflect the input of ██████████<sup>12</sup>

The former sales representative declarants similarly provided unreliable evidence. For example, the Jeffrey Hoppis declaration, ██████████<sup>13</sup> asserts broadly that “[i]n sales presentations, *we always* described the leads as homeowners who were ready to hire service providers for existing jobs,” and that “*we referred* to the leads as ‘homeowners’ who were ‘project-ready,’ ‘looking to hire,’ and ‘ready to hire.’”<sup>14</sup> But Mr. Hoppis ██████████

██████████  
██████████<sup>15</sup> And while Mr. Hoppis stated that he purportedly followed a “script” in sales calls, ██████████

██████████<sup>16</sup> Mr. Hoppis ██████████  
██████████<sup>17</sup>

The other former employee declarants similarly fail to support Complaint Counsel’s unfounded allegations of “systemic deception.” Br. 5. They offer only isolated and unreliable

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<sup>11</sup> See, e.g., HA-SOF ¶¶ 90(e)–(h), 91(f)–(g), 92(n)–(o), 95(d)–(j), 97(c).

<sup>12</sup> HA-SOF ¶¶ 89(h), 90(i), 95(i)–(r), 97(a); see PX0008 (including no statements about what he purportedly read or heard during his enrollment process with HomeAdvisor many years ago); PX0137 (same).

<sup>13</sup> HA-SOF ¶ 99(f).

<sup>14</sup> PX0013 ¶ 8 (emphases added).

<sup>15</sup> HA-SOF ¶ 99(l).

<sup>16</sup> HA-SOF ¶ 99(i); PX0013 ¶¶ 3, 8.

<sup>17</sup> HA-SOF ¶ 99(m).

anecdotes from their brief tenures years ago.<sup>18</sup> Two of these declarants worked at HomeAdvisor for only a few weeks,<sup>19</sup> and [REDACTED]<sup>20</sup>

For example, Christina Wilson’s declaration states that “[t]he trainers explained that we could refer to leads as ‘jobs’ and make up a pending ‘job’ that was waiting to be matched to a service provider with the expertise and geographic preferences of the prospective member to whom we were talking.”<sup>21</sup> [REDACTED]

[REDACTED]<sup>22</sup> Ms. Wilson further [REDACTED]

[REDACTED]

[REDACTED]<sup>23</sup>

Although [REDACTED]

[REDACTED]<sup>24</sup>

Indeed, Complaint Counsel *concedes* that HomeAdvisor [REDACTED]

[REDACTED] Br. 7–8 (emphasis added), and [REDACTED]

[REDACTED]

[REDACTED]<sup>25</sup>

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<sup>18</sup> See PX0012–15; see generally HA-SOF ¶¶ 100(a)–(q), 101(a)–(h).

<sup>19</sup> PX0014 ¶ 1; PX0015 ¶ 8.

<sup>20</sup> HA-SOF ¶ 100(b); PX0015 ¶ 8.

<sup>21</sup> PX0015 ¶ 3.

<sup>22</sup> HA-SOF ¶ 100(g).

<sup>23</sup> HA-SOF ¶ 100(g).

<sup>24</sup> HA-SOF ¶ 100(e).

<sup>25</sup> HA-SOF ¶ 100(j).



Complaint Counsel’s other declarants also raise, rather than resolve, material fact issues.

As just a few examples:

- [REDACTED]
- SP Ronda Winfield’s declaration states that the leads she received during her membership that were “worthless” and “apparently random.”<sup>28</sup> [REDACTED]
- [REDACTED]
- To date, four (David Smith, Gerald Lee, Elena Dunne, and Frank DeBenedetti) have failed to make themselves available for deposition before HomeAdvisor’s opposition deadline. Their declarations should be disregarded for purposes of this Motion. *See, e.g., Stallworth v. Nike Retail Servs., Inc.*, 2021 WL 6618781, at \*3 (C.D. Cal. Dec. 1, 2021); *Gordon v. Nexstar Broad., Inc.*, 2021 WL 736271, at \*8 (E.D. Cal. Feb. 25, 2021).

Given the discrepancies between the declarations that Complaint Counsel submitted and the declarants’ testimony, it is particularly troubling that [REDACTED]

[REDACTED]

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<sup>26</sup> HA-SOF ¶ 95(r).

<sup>27</sup> PX0003.

<sup>28</sup> PX0011.

<sup>29</sup> HA-SOF ¶¶ 96(j)–(n).

<sup>30</sup> *See* HA-SOF ¶ 97(d).

<sup>31</sup> HA-SOF ¶ 97(k).

<sup>32</sup> HA-SOF ¶¶ 91(y), 92(ee), 100(s).



This case, unlike typical FTCA § 5 cases, involves individualized statements made during hundreds of thousands of separate, unscripted sales calls. *See* Br. 7–8 (admitting HomeAdvisor [REDACTED]).<sup>38</sup> Reliance on a small subset of recordings as a proxy for nationwide deception therefore is tenuous, at best. Complaint Counsel at this early stage has “failed to establish that there was any misleading ‘net impression,’ or even to identify clearly what it claims the net impression was” across the multitude of conversations that occurred from 2014 to present. *F.T.C. v. DIRECTV, Inc.*, 2018 WL 3911196, at \*5 (N.D. Cal. Aug. 16, 2018) (“FTC also failed to articulate what common net impression is conveyed by the over 40,000 challenged advertisements (which spanned several different formats), or to explain how and why that impression would be likely to mislead a reasonable consumer.”).

Complaint Counsel also notably ignores HomeAdvisor’s mandatory enrollment processes that require SPs – including Complaint Counsel’s SP declarants – to acknowledge affirmatively (among other things) that *leads are not jobs*.<sup>39</sup> For example, HomeAdvisor’s voice-log prompt stated: “*HomeAdvisor provides project leads, not guaranteed jobs. You will be billed for each lead that we send to you, and your success will vary depending on your abilities to follow up with potential prospects and sell your services.*”<sup>40</sup> This alone creates a genuine issue of material fact as to Complaint Counsel’s allegations of systemic deception. *See, e.g., Dalbey*, 2013 WL 934986, at \*1–2 (denying summary judgment where there is a genuine disputed factual issue about prominence and visibility of disclaimers). In fact, here, the *only* undisputedly systemic practice

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the sample set. Rather, this matter should be addressed in the ALJ proceedings, scheduled for trial in just a few months.

<sup>38</sup> *See also, e.g.*, HA-SOF ¶¶ 12–13; Responses to CC-SOF ¶¶ 19, 30–31, 72–73, 83–84, 111–112.

<sup>39</sup> HA-SOF ¶¶ 1–11.

<sup>40</sup> HA-SOF ¶ 6 (emphasis altered); *see* RX0095 ¶¶ 6–9 & Exs. 1–12.

of HomeAdvisor is that it clearly and prominently informs each prospective service provider – via clear and unambiguous statements that must be acknowledged during enrollment – that leads are not guaranteed jobs, but rather opportunities that must be developed by the service provider.<sup>41</sup>

2. **Genuine fact issues are created by the Motion’s failure to address both the context in which the alleged misstatements were made, and the sophistication and understanding of the persons to whom they were directed.**

Complaint Counsel further ignores the critical context of the lead generation industry in which HomeAdvisor operates, and the sophistication and understanding of the relevant persons in that industry, the SPs. *Horizon Corp.*, 1981 WL 389410, at \*210; *see also F.T.C. Policy Statement on Deception* (1984) (appended to *In re Cliffdale Assocs., Inc.*, 103 F.T.C. 110, 1984 WL 565319, at \*47 (1984) (when “representations or sales practices are targeted to a specific audience” they must be “judged in light of the ‘knowledge and sophistication of that group.’”).<sup>42</sup>

As HomeAdvisor’s lead industry expert, Carlos Hidalgo, explains in his accompanying report,<sup>43</sup> lead generation is designed to encourage consumers to “raise their hands” and affirmatively show interest in a product or service,<sup>44</sup> and is used by an array of companies worldwide across various industries.<sup>45</sup> As consumers increasingly rely on the Internet to source services, online lead generation companies play a critical role in connecting pros with consumers whom they otherwise would not have been able to identify, and vice versa.<sup>46</sup> HomeAdvisor is just

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<sup>41</sup> HA-SOF ¶¶ 1–11 (citing RX0095 & Exs. 1–12).

<sup>42</sup> *See generally* HA-SOF ¶¶ 18–87 (detailing fundamentals about the lead generation industry generally and HomeAdvisor specifically).

<sup>43</sup> RX0001.

<sup>44</sup> HA-SOF ¶ 18.

<sup>45</sup> HA-SOF ¶ 20.

<sup>46</sup> HA-SOF ¶¶ 21–23.

one of many online lead generation companies in the home services sector.<sup>47</sup> These companies provide home services leads to SPs by matching them with homeowners who have shown an interest in those services (generally by phone call or completing an online form).<sup>48</sup>

Critically, leads are opportunities – *not* guaranteed jobs, a fact that HomeAdvisor expressly emphasizes to its SPs [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] a fundamental fact of which HomeAdvisor has explicitly *required* SPs to confirm their understanding.<sup>56</sup>

It thus is accepted in the lead industry that not all leads will convert to paying work, and indeed likely only a small percentage will, given the multitude of factors that bear on the course

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<sup>47</sup> HA-SOF ¶ 24.

<sup>48</sup> HA-SOF ¶ 24.

<sup>49</sup> HA-SOF ¶¶ 6–7, 10; *see also* HA-SOF ¶¶ 74–81.

<sup>50</sup> HA-SOF ¶ 7.

<sup>51</sup> HA-SOF ¶ 115.

<sup>52</sup> HA-SOF ¶ 116.

<sup>53</sup> HA-SOF ¶ 117.

<sup>54</sup> HA-SOF ¶¶ 7, 74–81, 125, 166.

<sup>55</sup> HA-SOF ¶¶ 81, 127.

<sup>56</sup> HA-SOF ¶¶ 1–11 (citing RX0095 & Exs. 1–12), 91(v), 99(s).

and outcome of each unique sales interaction and each unique consumer’s decision-making process.<sup>57</sup> Such factors include references or reviews from prior customers, a website or other online presence, price, responsiveness and professionalism, quality of work, and other inherently subjective and idiosyncratic concepts like trust and the consumer’s overall experience across industries.<sup>58</sup> But where the SP diligently contacts and nurtures its leads to maximize its chances of success, those leads that result in jobs should produce a positive return on investment from an effective lead generation program like HomeAdvisor.<sup>59</sup>

Complaint Counsel thus is simply wrong to claim that “[t]he central purpose to service providers of HomeAdvisor’s leads is to connect with *paying customers*,” Br. 16 (emphasis added), rather than to business opportunities to be pursued and nurtured. To the contrary, Complaint Counsel ignores that SPs’ efforts to develop their leads normally are dispositive of whether any lead would convert to a job.<sup>60</sup> [REDACTED]

[REDACTED]

[REDACTED]<sup>61</sup>

Complaint Counsel’s broad-brush allegations regarding what SPs found important or “material” in their interactions with HomeAdvisor not only ignores these principles within the lead industry, they do not align with their witnesses’ testimony. [REDACTED]

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<sup>57</sup> HA-SOF ¶¶ 7, 63–64, 74–81.

<sup>58</sup> HA-SOF ¶¶ 76(a)–(f).

<sup>59</sup> HA-SOF ¶¶ 77–87.

<sup>60</sup> HA-SOF ¶¶ 25–27, 74–81, 90(b).

<sup>61</sup> HA-SOF ¶ 99(q).

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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<sup>62</sup> HA-SOF ¶ 119.

<sup>63</sup> HA-SOF ¶¶ 124–26, 164–65.

<sup>64</sup> HA-SOF ¶¶ 128, 164–65.

<sup>65</sup> HA-SOF ¶ 166.

<sup>66</sup> HA-SOF ¶ 114; *see* PX0001–11; PX0137.

<sup>67</sup> HA-SOF ¶¶ 91(n), 92(t), 94(q), 94(s).

<sup>68</sup> HA-SOF ¶¶ 91(b), 94(b); *see also* PX0008.

<sup>69</sup> HA-SOF ¶ 98(b).

<sup>70</sup> HA-SOF ¶ 91(o).

<sup>71</sup> HA-SOF ¶¶ 87, 94(b).

[REDACTED]

Complaint Counsel’s arguments are predicated on the incorrect and unsupported assumption that SPs do not understand the basic principles of lead generation. Br. 13–14. Complaint Counsel draws conclusions about what SPs would have understood from the use of isolated words divorced from context, such as “serious” and “project-ready,” *see* Br. 14, without any consideration that someone with the specialized knowledge of an SP would have understood exactly what they were purchasing: *leads*, not jobs. For instance, Complaint Counsel baldly asserts that “[l]ogically, to a service provider considering purchasing Respondent’s leads, what makes a homeowner ‘serious’ is that the homeowner is reasonably likely to hire a service provider to perform work.” Br. 14. But the evidence and undisputed industry practice make clear that SPs understand that even leads that are described as “serious” or “project-ready” are still only

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<sup>72</sup> HA-SOF ¶¶ 97(a), (l).

<sup>73</sup> *See, e.g.*, HA-SOF ¶¶ 89(e), 90(n), 98(d).

<sup>74</sup> *E.g.*, HA-SOF ¶¶ 89(a), (f), (o) [REDACTED]



opportunities. And multiple factors, including the SP's own efforts, affect whether a particular SP can convert a particular lead into a job.

Thus, the largely anecdotal evidence and disputed facts on which Complaint Counsel relies fail to establish that the alleged misrepresentations were "likely to mislead consumers acting reasonably under the circumstances." *Health Research*, 2021 WL 5711355, at \*5; *see also F.T.C. v. Moses*, 913 F.3d 297, 306 (2d Cir. 2019) (same); *F.T.C. v. Freecom Commc'ns, Inc.*, 401 F.3d 1192, 1203 (10th Cir. 2005) (same); *McWane*, 2012 WL 4101793, at \*5; *Basic Research*, 2005 WL 1656329, at \*3 ("Among the factual questions raised by the pleadings and not resolved by Complaint Counsel's motion are what claims are conveyed by the advertisements" and "whether the claims conveyed are material to consumers").<sup>75</sup>

**3. Genuine fact issues exist as to whether HomeAdvisor substantively screens its leads.**

Complaint Counsel baselessly asserts that "the vast majority of leads HomeAdvisor sells have not been substantively screened." Br. 14; *see also id.* at 26–33 (arguing HomeAdvisor lacks lead verification and quality control processes). The evidence does not support this conclusion.<sup>76</sup>

As HomeAdvisor's expert Mr. Hidalgo explains, HomeAdvisor in fact "follow[s] industry best practices" to ensure it is providing high-quality leads to SPs.<sup>77</sup> HomeAdvisor first collects information from homeowners who affirmatively have expressed interest in a particular service.<sup>78</sup>

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<sup>75</sup> In addition, Compliant Counsel's arguments about (i) certain SP survey data and (ii) reasons that SPs request that HomeAdvisor provide credits for leads, Br. 14–16, reveal *nothing* about what those SPs were promised or understood about HomeAdvisor at any time. *See, e.g.*, Responses to CC-SOF ¶¶ 42, 67–69, 77–80.

<sup>76</sup> HomeAdvisor disputes Complaint Counsel's factual assertions on this point. *See generally* HA-SOF ¶¶ 48–61; Responses to CC-SOF ¶¶ 6–9.

<sup>77</sup> HA-SOF ¶ 28.

<sup>78</sup> HA-SOF ¶¶ 30, 33, 148–49.

These homeowner actions indicate an intent and interest to learn more about a given project,<sup>79</sup> and HomeAdvisor’s leads in fact are “closer to doing a job,” Br. 12 (internal quotations and citation omitted), than someone who, for example, sees a contractor’s billboard while commuting home.<sup>80</sup>

Because HomeAdvisor purchases some leads from affiliates, HomeAdvisor [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]<sup>81</sup>

HomeAdvisor verifies its leads at the individual SP level by matching leads with SPs based on two primary factors that the SPs themselves control: project type and geographic location.<sup>82</sup> And if an SP, within the first 30 days of enrollment, enters a particular zip-code or task in error, HomeAdvisor offers credits and coaching to assist the SP in maximizing success through optimal region and task selection.<sup>83</sup>

Furthermore, once HomeAdvisor obtains an online service request from a homeowner – regardless of the source – [REDACTED]

[REDACTED]

[REDACTED]

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<sup>79</sup> HA-SOF ¶¶ 30, 33, 148–49.

<sup>80</sup> See RX0001 at 9.

<sup>81</sup> HA-SOF ¶¶ 33–38, 148–51.

<sup>82</sup> HA-SOF ¶¶ 40, 130–47. [REDACTED]  
[REDACTED] See, e.g., HA-SOF ¶¶ 133, 143.

<sup>83</sup> HA-SOF ¶ 140.

[REDACTED]

[REDACTED]

[REDACTED]<sup>85</sup>

HomeAdvisor also continuously monitors metrics to help track lead quality across all sources and to inform its quality control measures over time.<sup>86</sup> HomeAdvisor [REDACTED]

[REDACTED]

[REDACTED]<sup>88</sup>

Nevertheless, it is understood in the lead industry, as expert Mr. Hidalgo explains, that “[n]o technical or manual process related to service request generation or filtering is foolproof, and it is widely accepted that some number of illegitimate service requests are likely to reach service providers within any lead generation company.”<sup>89</sup> Accordingly, HomeAdvisor provides SPs with Lead Credit Guidelines under which they can seek and obtain credits for illegitimate leads not caught by the filtering system.<sup>90</sup> *Contra* Br. 28 (claiming HomeAdvisor’s review of credits is “opaque”). There are no [REDACTED] [REDACTED] under the Lead Credit Guidelines,<sup>91</sup> which furthermore allow for discretionary credits regardless of the reason if the credit is requested within 30 days.<sup>92</sup> Complaint

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<sup>84</sup> HA-SOF ¶¶ 48–61.

<sup>85</sup> HA-SOF ¶ 51.

<sup>86</sup> HA-SOF ¶¶ 62–70.

<sup>87</sup> HA-SOF ¶¶ 62–70.

<sup>88</sup> HA-SOF ¶¶ 62–70.

<sup>89</sup> HA-SOF ¶¶ 71–72 (citing RX0113 & RX0114).

<sup>90</sup> HA-SOF ¶¶ 71–72 (citing RX0113 & RX0114); *see* Response to CC-SOF ¶ 39.

<sup>91</sup> HA-SOF ¶ 72.

<sup>92</sup> HA SOF ¶ 72.

Counsel cites to the number of credits HomeAdvisor has denied and baldly assert that when a credit is granted, *all other* SPs that received that lead should be credited too. Br. 28–29. Complaint Counsel ignores that [REDACTED]

[REDACTED]<sup>93</sup> At the same time, HomeAdvisor maintains an [REDACTED]

[REDACTED]<sup>94</sup> There are many instances when the reason one SP received a credit would not apply to another SP that received the same lead, such as when the credit request is based on errors in the requesting SP’s profiled tasks or geographic area, or where a discretionary or automatic credit is granted for reasons that fall outside HomeAdvisor’s Lead Credit Guidelines.

**B. Genuine Fact Issues Exist as to Whether HomeAdvisor Misrepresented the Task Type and Geographic Location of its Leads.**<sup>95</sup>

Complaint Counsel next claims that HomeAdvisor has misleadingly “represented that service providers will only receive leads that match the type of work that those service providers perform and the geographic areas where they want to work.” Br. 16. But HomeAdvisor “matches” SPs with interested homeowners based on the SPs’ *own* stated geographic and task preferences,<sup>96</sup> which the SPs set during their enrollment call with HomeAdvisor and can change at any time.<sup>97</sup>

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<sup>93</sup> HA-SOF ¶¶ 72.

<sup>94</sup> HA SOF ¶ 72.

<sup>95</sup> HomeAdvisor disputes Complaint Counsel’s factual assertions on this point. *See generally* HA-SOF ¶¶ 130–47; Responses to CC-SOF ¶¶ 71–82.

<sup>96</sup> HA-SOF ¶ 130.

<sup>97</sup> HA-SOF ¶¶ 130–38.

*See supra* at 14, 19.<sup>98</sup> These facts contradict Complaint Counsel’s assertion that SPs buy leads “sight unseen.” Br. 8.

At the same time, HomeAdvisor collects detailed information regarding each homeowner’s particular project and location.<sup>99</sup> When submitting a service request, homeowners answer a series of multiple-choice questions about their projects; the questions are generated based on the project category and the responses to the prior questions (and as such, the follow-up questions are task-dependent).<sup>100</sup> [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]<sup>102</sup>

Homeowners sometimes are mistaken about the details of their projects or may make typographical errors when entering location information.<sup>103</sup> Complaint Counsel’s attempt to transform these one-off events into an improper pattern or practice, Br. 16–19, glosses over the case-by-case nature of lead management, particularly for tasks as idiosyncratic as home services.<sup>104</sup> For example, a homeowner may not know whether a leaky roof needs to be entirely *replaced* or merely *repaired*, and so may select the code for a replacement when only a repair is needed. An SP whose settings include only roof *replacement* leads could end up receiving that

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<sup>98</sup> HA-SOF ¶¶ 132–33.

<sup>99</sup> HA-SOF ¶¶ 33, 131, 134–35.

<sup>100</sup> HA-SOF ¶¶ 33, 134–35.

<sup>101</sup> HA-SOF ¶¶ 136–37.

<sup>102</sup> HA-SOF ¶ 138.

<sup>103</sup> HA-SOF ¶ 139.

<sup>104</sup> *See* HA-SOF ¶¶ 18–27.

homeowner’s lead and discover only repairs are needed. This does not involve any deception by HomeAdvisor. Nor is there any evidence that such errors are systemic or part of a pattern.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]<sup>105</sup> Because people make mistakes, HomeAdvisor routinely grants credits to SPs at any point during enrollment if they receive a lead for a task or geographic area for which they are not profiled.<sup>106</sup>

Complaint Counsel’s argument that HomeAdvisor is “structurally incapable” of correctly matching homeowners and SPs because the [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] Br. 18, borders on frivolous – and, in any event, at best raises a competitive quality issue, not an issue of deception or misrepresentation. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]<sup>108</sup>

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<sup>105</sup> HA-SOF ¶ 102(h); *see* RX0002 ¶ 12 & Ex. 10.

<sup>106</sup> HA-SOF ¶¶ 140–41.

<sup>107</sup> HA-SOF ¶ 136.

<sup>108</sup> HA-SOF ¶ 137.

Complaint Counsel’s alternative argument that “HomeAdvisor assumes that homeowners accurately and completely describe their potential project in their answers to the multiple-choice questions that HomeAdvisor uses to generate leads,” Br. 18, also is misplaced. Complaint Counsel offers no evidence that information homeowners submit about their projects is somehow inherently unreliable, and [REDACTED] *see supra* at 18–21, are designed to filter out illegitimate and inaccurate requests.

Complaint Counsel’s own witnesses again undermine their claims. While Complaint Counsel’s brief cites a purported example of [REDACTED]

[REDACTED] Br. 19 (emphasis omitted), [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]<sup>110</sup>

The same is true for the purported task mismatches cited by Complaint Counsel, Br. 18–19, [REDACTED]

[REDACTED]<sup>111</sup> Complaint Counsel cites out of context the number of credit requests HomeAdvisor received, allegedly [REDACTED]

[REDACTED] Br. 18–19. But Complaint Counsel ignores that during the eight-year period in question – July 31, 2014 through the present – [REDACTED]  
[REDACTED]

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<sup>109</sup> HA-SOF ¶ 143; *see* HA-SOF ¶ 142.

<sup>110</sup> HA-SOF ¶ 143.

<sup>111</sup> HA-SOF ¶¶ 142–43.

██<sup>112</sup> Many of Complaint Counsel’s declarants did not even claim to have sought a lead credit based on a task or geographic mismatch.<sup>113</sup>

██

██

██<sup>114</sup> This refutes Complaint Counsel’s suggestion that HomeAdvisor was purposefully or recklessly sending mismatched or invalid leads to SPs to make extra money.

**C. Material Issues Exist as to Whether HomeAdvisor Misrepresented the Sources of its Leads.**<sup>115</sup>

Complaint Counsel next argues that HomeAdvisor misrepresented the sources of the leads it provides. Br. 19–21. But again, these arguments are contradicted by the facts, and the evidence certainly does not support summary decision for Complaint Counsel.

HomeAdvisor on its website publicly discloses its use of affiliates to generate leads,<sup>116</sup>

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██<sup>117</sup> Given this disclosure, Complaint Counsel’s argument rests on the false premise that there is something inherently worse about an affiliate-generated lead. Br. 21 (claiming affiliate leads “are lower quality”). In fact, HomeAdvisor goes to great lengths to ensure

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<sup>112</sup> HA-SOF ¶ 146.

<sup>113</sup> HA-SOF ¶¶ 142, 145.

<sup>114</sup> HA-SOF ¶ 147.

<sup>115</sup> HomeAdvisor disputes Complaint Counsel’s factual assertions on this point. See generally HA-SOF ¶¶ 148–51; Responses to CC-SOF ¶¶ 83–92.

<sup>116</sup> HA-SOF ¶ 148; see HA-SOF ¶ 149.

<sup>117</sup> HA-SOF ¶ 150; Br. 7 (citing CC-SOF ¶ 4).



the quality of its leads, including affiliate-generated leads. *See supra* at 18–21. Complaint Counsel addresses none of this material evidence.

Complaint Counsel asserts that homeowners have been [REDACTED] [REDACTED] Br. 20–21. But affiliates are contractually obligated to notify homeowners that (i) their requests have been submitted to HomeAdvisor; (ii) they may be contacted by HomeAdvisor at the email address and phone number provided in the service request; and (iii) they are agreeing to HomeAdvisor’s Terms and Conditions and Privacy Policy.<sup>118</sup> Affiliate websites identified by Complaint Counsel’s declarants explicitly identify their association with HomeAdvisor directly beneath the service request submission form.<sup>119</sup> Contrary to Complaint Counsel’s allegation, affiliate leads thus are from “homeowners who have intentionally sought [HomeAdvisor’s] help.” Br. 19–20.

Finally, Complaint Counsel offers no actual evidence to support their assertion that “HomeAdvisor’s claims regarding the source of its leads have been material to service providers’ decisions to sign up for HomeAdvisor’s network.” Br. 21. For example, [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]<sup>121</sup>

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<sup>118</sup> HA-SOF ¶ 36; *see also* HA-SOF ¶ 149.

<sup>119</sup> HA-SOF ¶¶ 148–49.

<sup>120</sup> HA-SOF ¶ 151.

<sup>121</sup> HA-SOF ¶ 151.

**D. Material Issues Exist as to Whether HomeAdvisor Does Not Misrepresent “Win Rates.”**<sup>122</sup>

Complaint Counsel argues that HomeAdvisor systematically misrepresents “win rates” – that is, the rate at which services providers will convert leads into jobs – and that [REDACTED]

[REDACTED]

[REDACTED] Br. 23–24 (original emphasis). In fact, it is highly disputed whether HomeAdvisor actually markets or advertises the win rates that Complaint Counsel contends it does. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]<sup>124</sup>

Complaint Counsel points to statements in a handful of recorded sales calls, but have failed to follow even basic statistical procedures to determine the representativeness of those few calls. *See supra* at 11–13. Indeed, [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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<sup>122</sup> HomeAdvisor disputes Complaint Counsel’s factual assertions on this point. *See generally* HA-SOF ¶¶ 152–66; Responses to CC-SOF ¶¶ 93–110.

<sup>123</sup> HA-SOF ¶ 164.

<sup>124</sup> HA-SOF ¶ 99(m).

<sup>125</sup> HA-SOF ¶ 155.

<sup>126</sup> HA-SOF ¶ 156.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] Thus, the few statements cited by Complaint Counsel were neither common nor approved by HomeAdvisor.

As to Instant Booking leads – where the user books an appointment directly with an SP by selecting an available date and time on the HomeAdvisor website – [REDACTED]

[REDACTED]

[REDACTED]<sup>128</sup> HomeAdvisor maintained data from homeowners supporting that figure.<sup>129</sup> Complaint Counsel argues that such representations are false, because [REDACTED]

[REDACTED]

[REDACTED] Br. 24. That argument ignores the evidence and applicable law. *First*, the cited [REDACTED] does not control for whether the SPs confirmed an appointment with the homeowner or showed up on time. *Second*, Complaint Counsel certainly has not shown it was unreasonable for HomeAdvisor to use the [REDACTED]

[REDACTED] *See In re Litton Indus., Inc.*, 97 F.T.C. 1, 1981 WL 3894443, at \* 43 (1981)

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<sup>127</sup> HA-SOF ¶ 162.

<sup>128</sup> HA-SOF ¶ 158.

<sup>129</sup> HA-SOF ¶ 157. Complaint Counsel ignore this data, although HomeAdvisor produced it along with a detailed explanation to Complaint Counsel during the investigation period. HA-SOF ¶¶ 159–60.

(“Litton could have cured the defect” of advertising surveys as “demonstrating the views of” a broader population than actually surveyed by “conspicuously disclosing the identity of the population that was actually surveyed”); *In re Kroger Co.*, 98 F.T.C. 639, 1981 WL 389402, at \*71 (1981) (“[C]onsumers and competitors may fairly expect that the substantiation will, in fact, closely match the representations made about it.”).

Ultimately, “[t]he question of what constitutes a reasonable basis is essentially a factual issue which will be affected by the interplay of overlapping considerations” and should be determined “case-by-case.” *In re Pfizer, Inc.*, 81 F.T.C. 23, 1972 WL 127465, at \*30 (1972); *see also Kroger*, 1981 WL 389402, at \*69 (“There is no bright line test for deciding what quantum of evidence is needed to provide a reasonable basis.”) (citing *Pfizer*). The Commission has expressly noted that it should be careful not to “stifle [advertising] indirectly by requiring unneeded substantiation.” *Kroger*, 1981 WL 389402, at \*71; *accord Litton*, 1981 WL 3894443, at \* 40 (“The Commission is sensitive to [the] concern that advertisers not be unreasonably restrained in their use of survey research in advertising.”). The resolution of this fact-bound claim should await full decision on the merits.

**E. Material Issues Exist Because HomeAdvisor Did Not Represent that its Discontinued mHelpDesk Product Was Free.**<sup>130</sup>

HomeAdvisor [REDACTED] and thus there can be no ongoing and actionable violation of the FTCA related to mHelpDesk. *See* 15 U.S.C. § 45(b). *See also Hartnett v. Pa. State. Educ. Ass’n*, 963 F.3d 301, 306 (3d Cir. 2019) (“voluntary cessation” will moot a case or controversy when “the allegedly wrongful behavior could not reasonably be expected to recur”).

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<sup>130</sup> HomeAdvisor disputes Complaint Counsel’s factual assertions on this point. *See generally* HA-SOF ¶¶ 167–73; Responses to CC-SOF ¶¶ 111–18.

Regardless, the statements about mHelpDesk referenced by Complaint Counsel were not encouraged or condoned by HomeAdvisor management.<sup>131</sup> To the contrary, when mHelpDesk

[REDACTED]

[REDACTED]<sup>132</sup> Indeed, five out of six of the statements about mHelpDesk cited by Complaint Counsel, Br. 25–26, [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]<sup>133</sup> Moreover, if an SP did enroll in the membership plan with mHelpDesk, the SP, when enrolling, would need to listen on the phone to a voice-log prompt stating: “Your membership includes mHelpDesk . . . . Your first month of mHelpDesk is included in your membership, and subsequent months will be billed at the exclusive HomeAdvisor member discounted price of 59 dollars and 99 cents per month.”<sup>134</sup>

Complaint Counsel implies that HomeAdvisor misled SPs by offering an annual membership plan costing \$347.98 that included the price of the first month of mHelpDesk and “did not present the first month of mHelpDesk as optional.” *See* Br. 25–26. [REDACTED]

[REDACTED]

[REDACTED]<sup>135</sup> Only one of Complaint Counsel’s declarants enrolled in the \$347.98 membership plan that included the

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<sup>131</sup> HA-SOF ¶¶ 169–70.

<sup>132</sup> HA-SOF ¶ 170.

<sup>133</sup> HA-SOF ¶ 173.

<sup>134</sup> HA-SOF ¶¶ 9, 71.

<sup>135</sup> HA-SOF ¶ 168.

first month of mHelpDesk,<sup>136</sup> [REDACTED]

[REDACTED]<sup>138</sup>

#### **IV. COMPLAINT COUNSEL WRONGLY ASKS THE COMMISSION TO SPURN SUMMARILY HOMEADVISOR’S AFFIRMATIVE DEFENSES**

Complaint Counsel seeks to sidestep HomeAdvisor’s affirmative defenses, Answer at 47–50, while failing to offer any evidence purportedly undermining any of them – four of which we highlight here.

*First*, Complaint Counsel’s attempt to circumvent HomeAdvisor’s proximate-cause defense, Br. 34, ignores that an SP’s success with leads depends largely on the SP’s own efforts to contact and nurture the leads it receives.<sup>139</sup> That is why HomeAdvisor has required SPs to agree at enrollment that its leads are “not guaranteed jobs,” and that “success will vary depending on [the SP’s] abilities to follow up with potential prospects and sell [its] services.”<sup>140</sup> Claims about the nature, quality, and outcomes of HomeAdvisor’s leads depend largely on the SP’s actions or omissions *after* receiving the lead.<sup>141</sup> Discovery is needed to determine whether any given SP’s success or failure with its leads was caused proximately by HomeAdvisor’s actions or the SP’s own actions or omissions. Far from “deflect[ing] from the relevant issue,” Br. 34, this is a centrally

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<sup>136</sup> HA-SOF ¶ 172.

<sup>137</sup> HA-SOF ¶ 172.

<sup>138</sup> HA-SOF ¶ 172.

<sup>139</sup> HA-SOF ¶¶ 27; 74–81.

<sup>140</sup> HA-SOF ¶ 6; *see also* HA-SOF ¶ 7 [REDACTED]

<sup>141</sup> HA-SOF ¶¶ 27; 74–81.



[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]<sup>143</sup> HomeAdvisor is pursuing the discovery necessary to determine the full extent and impropriety of Complaint Counsel's [REDACTED]

[REDACTED] and separately is seeking appropriate relief [REDACTED]

[REDACTED] Thus, summary decision on this affirmative defense would be improper.

*Fourth*, HomeAdvisor has raised serious constitutional defects regarding this proceeding that are not cured by Complaint Counsel's conclusory claim that HomeAdvisor has had "an opportunity to appear and defend itself in these proceedings," and allegedly was provided "with ample notice." Br. 35; *see* Answer at 49–50 (¶¶ 17–18, 20–24). Those defenses include:

- For the Commissioners to decide this matter would violate the separation of powers and Article II's Appointments Clause because the Commissioners are unconstitutionally shielded from removal under the FTCA. 15 U.S.C. § 41; *see Seila Law v. CFPB*, 140 S. Ct. 2183, 2200 & n.4 (2020); *Myers v. United States*, 272 U.S. 52, 117 (1926).
- The President's authority to appoint Commissioners is further unconstitutionally constrained by political-party restrictions in violation of Article II and the First Amendment. 15 U.S.C. § 41.
- Adjudication of this matter by the Commission violates the right to due process under the Fifth Amendment, including because these proceedings lack a neutral decisionmaker and lack equal protection. *See Hamdi v. Rumsfeld*, 542 U.S. 507, 533 (2004).
- To the extent that the findings in this proceeding are used in a potential legal action for damages under the FTCA § 19, *see* Compl. at 16 (foreshadowing damages action under § 19), such administrative fact-finding would violate HomeAdvisor's Seventh Amendment right to have those facts found by a jury in an Article III court, *see Jarkesy v. SEC*, \_\_\_ F.4th \_\_\_, 2022 WL 1563613, at \*1–9 (5th Cir. May 18, 2022). The Commission may "expressly provide" in any cease-and-desist order that "the Commission's findings shall not be conclusive." 15 U.S.C. § 57b(c)(1). The

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<sup>143</sup> HA-SOF ¶¶ 175–82.



Commission has a constitutional obligation to do so here given the prospect that the findings will be used in an action for legal relief, where HomeAdvisor is entitled to a jury trial. *See Parklane Hosiery Co. v. Shore*, 439 U.S. 322, 334 (1979) (explaining that discretion must, “wherever possible, be exercised to preserve jury trial” where non-jury findings in equitable proceedings may precede resolution of claim where party would otherwise be entitled to jury trial (quotation marks omitted)). Indeed, the constitutional concern with depriving HomeAdvisor of a jury trial for future legal claims would be especially acute if this proceeding were resolved on a summary basis, with no neutral adjudicator at all.<sup>144</sup>

Because this entire proceeding is constitutionally ultra vires, only one summary disposition is appropriate: *dismissal*.<sup>145</sup>

#### V. COMPLAINT COUNSEL HAS FAILED TO ESTABLISH ANY ENTITLEMENT TO ITS PROPOSED ORDER

The many genuinely disputed material fact issues discussed above preclude entry of summary decision here. No basis therefore exists for adoption of Complaint Counsel’s proposed order, and HomeAdvisor does not attempt here a comprehensive analysis of the proposed order’s terms.

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<sup>144</sup> In responding to this Motion, HomeAdvisor also preserves, and does not waive, its affirmative defenses that (i) having an ALJ preside over and administer these claims violates the separation of powers and Article II’s Appointments Clause because the Commission flouts and impermissibly delegates its ALJ appointment power to the Office of Personnel Management and the ALJ is insulated from removal by the President by two layers of for-cause protections, *see* 5 U.S.C. § 7521; 15 U.S.C § 41; *see also Lucia v. SEC*, 138 S. Ct. 2044, 2049 (2018) (ALJs are “Officers” under the Appointments Clause); *Free Enter. Fund v. PCAOB*, 561 U.S. 477, 492–98 (2010) (“dual for-cause limitations on removal” of executive-branch officers violate the separation of powers).

<sup>145</sup> A defense that an agency’s actions are constitutionally ultra vires need not be raised before that agency in an unconstitutional proceeding, because (i) “agency adjudications are generally ill suited to address structural constitutional challenges, which usually fall outside the adjudicators’ areas of technical expertise”; and (ii) “[i]t makes little sense to require litigants to present claims to adjudicators who are powerless to grant the relief requested.” *Carr v. Saul*, 141 S. Ct. 1352, 1360–62 (2021); *see also Cotton v. United States*, 535 U.S. 625, 530 (2002) (defenses challenging a forum’s “power to hear a case . . . can never be forfeited or waived”). Even so, the constitution problems here – only heightened by the summary decision procedure Complaint Counsel have invoked – provide yet another reason for the Commission to deny summary decision.

HomeAdvisor notes only that the proposed order on its face is not “reasonably related to the unlawful practices at issue,” as Complaint Counsel asserts. *See* Br. 30. Putting aside the absence in the Motion of any entitlement to relief, the proposed order also improperly seeks to prohibit *any* expression of implicit representation about the “earning potential, benefits, performance, or efficacy” of HomeAdvisor’s service. Proposed Order § I.B. It also would prohibit any representations that HomeAdvisor provides leads that “match the types of services [or geographic areas] that Service Providers have expressed they perform [or serve],” or that leads are from “individuals” who sought out HomeAdvisor to “select[] a Service Provider.” *Id.* § I.A.1. Such terms effectively would ban HomeAdvisor from describing its service at all. These terms reflect the same gross, unsupported overreaching that underlies this Motion. It also would be a blatant violation of the First Amendment, as HomeAdvisor is entitled to describe its service in a truthful manner. At a minimum, there are factual disputes about the legitimate scope of any potential order – including, for example, what statements would actually be misleading and material to a reasonable SP – that preclude summary decision.

Complaint Counsel’s claims here also fail to exclude leads sold by HomeAdvisor’s Canadian subsidiary to SPs in Canada. The FTC lacks jurisdiction over such transactions because they are not “likely to cause reasonably foreseeable injury within the United States” and do not “involve material conduct occurring within the United States.” 45 U.S.C. § 45(a)(4)(A); *see* 15 U.S.C. § 45(a)(3). *See also F.T.C. v. Construct Data Publishers*, 2014 WL 7004999, at \*8 (N.D. Ill. Dec. 11, 2014) (rejecting FTC’s damage calculation that included revenues “from outside of the United States” and holding that “in interpreting U.S. legislation there is a presumption that it is meant to apply only within the territorial jurisdiction of the United States”).

**VI. CONCLUSION**

For the foregoing reasons, HomeAdvisor respectfully submits that the Commission should deny in full Complaint Counsel’s Motion for Summary Decision.

Respectfully submitted,

Dated: June 6, 2022

**QUINN EMANUEL URQUHART  
& SULLIVAN, LLP**

Stephen R. Neuwirth  
Jennifer J. Barrett  
Kathryn D. Bonacorsi  
Neil T. Phillips  
George T. Phillips  
51 Madison Avenue, 22nd Floor  
New York, NY 10010  
(212) 849-7000  
stepheneuwirth@quinnemanuel.com  
jenniferbarrett@quinnemanuel.com  
kathrynbacorsi@quinnemanuel.com  
neilphillips@quinnemanuel.com  
georgephillips@quinnemanuel.com

/s/ William A. Burck  
William A. Burck  
Dawn Y. Yamane Hewett  
Kyra R. Simon  
1300 I Street NW, 9th Floor  
Washington, DC 20005  
(202) 538-8000  
williamburck@quinnemanuel.com  
dawnhewett@quinnemanuel.com  
kyrasimon@quinnemanuel.com

*Counsel to Respondent HomeAdvisor, Inc.*

**Word Count: 9,890**

**UNITED STATES OF AMERICA  
BEFORE THE FEDERAL TRADE COMMISSION**

**COMMISSIONERS:**    **Lina M. Khan, Chair**  
                              **Noah Joshua Phillips**  
                              **Rebecca Kelly Slaughter**  
                              **Christine S. Wilson**  
                              **Alvaro M. Bedoya**

**In the Matter of HOMEADVISOR, INC.,  
a corporation,  
d/b/a ANGI LEADS,  
d/b/a HOMEADVISOR POWERED BY ANGI.**

Docket No. 9407

**RESPONDENT’S STATEMENT OF MATERIAL FACTS FOR WHICH  
THERE IS A GENUINE ISSUE FOR TRIAL**

Pursuant to Rule 3.24(a)(2) of the Commission’s Rules of Practice, 16 C.F.R. § 3.24(a)(2) Respondent HomeAdvisor, Inc. (“**HomeAdvisor**” or “**Respondent**”) submits this Statement of Disputed Material Facts for Which There Is a Genuine Issue for Trial.

In *Part One* (“**HA-SOF**,” pp. 2–175), Respondent sets forth the material facts for which there is a genuine issue for trial. In *Part Two* (“**CC-SOF**,” pp. 176–246), Respondent sets forth the material facts for which Complaint Counsel asserts there is no genuine issue for trial, along with Respondent’s response to each statement.

***PART ONE: RESPONDENT'S COUNTERSTATEMENT OF MATERIAL FACTS  
FOR WHICH THERE IS A GENUINE ISSUE FOR TRIAL***

HomeAdvisor submits below its counterstatement of material facts that establish a genuine issue of material fact exists for trial. As set forth in greater detail below, those facts include the following: **(1)** HomeAdvisor's enrollment and onboarding processes for its service providers ("SPs") show that HomeAdvisor accurately describes the nature of its services and products; **(2)** fundamental practices and understandings in the lead generation industry, including those whose work depends on sourcing and converting leads such as SPs, supported by expert analysis, establish that HomeAdvisor follows best practices to generate quality leads; **(3)** it is understood in the lead industry, supported by expert analysis, that various factors bear on the outcome of any sales interaction, and that not all leads will convert to jobs, but that a service provider's own actions have a direct bearing on success developing and winning work from leads; **(4)** it is understood in the lead industry, supported by expert analysis, that return on investment is a standard method of valuing a lead service, and that HomeAdvisor's business practices and lead pricing help ensure SPs obtain a positive return on their investment; **(5)** Complaint Counsel's witness declarations do not support their allegations and, at minimum, raise a genuine factual issue for trial; **(6)** Complaint Counsel's reliance on an unreliable sample of sales call recordings does not support summary decision; **(7)** HomeAdvisor's quality assurance processes provide material context regarding HomeAdvisor's business practices and interactions with SPs that undermines Complaint Counsel's allegations of widespread deception; **(8)** SPs' sophistication and experience in their relevant industries and with leads provide material context that undermines Complaint Counsel's allegations of widespread deception; **(9)** *finally*, for all these reasons and others explained below, genuine issues of material fact exist with respect to each of the specific claims raised in Complaint Counsel's Motion, including whether HomeAdvisor misrepresented the quality of its leads, the

lead matching process, the sources of its leads, the win rates for its leads, and the costs associated with the discontinued mHelpDesk product, as well as the propriety of Complaint Counsel's proposed order and the merit of HomeAdvisor's affirmative defenses.

**I. HOMEADVISOR'S ENROLLMENT AND ONBOARDING PROCESSES RAISE GENUINE AND MATERIAL FACT ISSUES FOR TRIAL**

**A. Genuine Issues of Material Fact for Trial Exist Because Complaint Counsel's Motion Ignores the Operation and Efficacy of HomeAdvisor's Voice Log and Enrollment Processes.**

1. All new service providers must complete HomeAdvisor's enrollment and onboarding process and affirmatively indicate their agreement to and understanding of certain accompanying disclosures. *See* **RX0095** ¶¶ 3–10. This enrollment process makes explicit that leads are not guaranteed jobs and that success with leads depends directly on the service provider's own efforts to develop its leads. *Id.*; *see also* **RX0088** ¶ 7 (“Once the SP's owner, principal or authorized representative (referred to hereinafter as the ‘SP representative’) indicates he or she would like to proceed with enrollment, HomeAdvisor requires the SP representative to complete a voice log process on behalf of the SP.”); **RX0089** (further example of an enrollment voice log for a service provider).

2. While the nature of each interaction with HomeAdvisor varies, service providers must follow common steps in order to enroll in the service. **RX0095** ¶ 3.

3. Specifically, until approximately July 2021, once the service provider's owner, principal or authorized representative (the “SP representative”) indicated he or she would like to proceed with enrollment, HomeAdvisor required the SP representative to complete a voice log process on behalf of the service provider. *Id.* ¶ 4. Before being initiated, the voice log process was described to the SP representative by the assigned HomeAdvisor sales representative. *Id.* The voice log process was conducted on a phone conference with the SP representative and the sales

representative, and required the SP representative to listen and respond to a pre-recorded voice message containing a series of statements followed by questions designed to obtain the SP representative's affirmation, acknowledgement, or request for more information. *Id.*

4. In order to complete the voice log, the SP representative was required to audibly respond to certain prompts which ask for acknowledgement and assent from the service provider by stating their name, identifying the business name of the service provider and (when requested) stating their title with the service provider. *Id.* ¶ 5. Other prompts during the voice log required the SP representative to either respond affirmatively to the question posed by pressing "1" on their telephone, or respond in the negative or indicate they had questions they wished to ask the sales representative by pressing "2" on their telephone. *Id.* Prior to approximately July 2021, a service provider could not enroll as a service provider member of HomeAdvisor unless its SP representative fully completed the voice log process and responded affirmatively to all of the questions asked in the pre-recorded voice log message. *Id.*

5. HomeAdvisor maintains, in the regular and ordinary course of its business, records relating to each service provider's voice log, including the specific prompts heard by each SP representative and the SP representative's responses to those prompts. *Id.* ¶ 6. That includes the voice log records for Complaint Counsel's service provider declarants, each of which completed the voice log process and affirmatively indicated their asset to, and understanding of, the voice log prompts. *Id.* ¶¶ 6–9 & Exs. 1–12; *c.f.* PX0001–PX0011, PX0137.

6. The voice log prompts that Complaint Counsel's declarants heard – and affirmatively agreed to and understood – include, critically, that "HomeAdvisor provides project leads, *not guaranteed jobs*. You will be billed for each lead that we send to you, and *your success will vary depending on your abilities to follow up with potential prospects and sell your services.*"

**RX0095** ¶¶ 6–9 & Exs. 1–12 (emphasis added).<sup>1</sup> *See also* **RX0011** at 185:16–21 [REDACTED]  
[REDACTED]  
[REDACTED]; **RX0008** at  
105:15–106:2 [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED].

7. The declarants who submitted declarations in support of Complaint Counsel’s  
Motion for Summary Decision [REDACTED] *See, e.g.,*  
**RX0010** at 249:15–25 [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]; **RX0013** at 120:12–13 [REDACTED]  
[REDACTED]; **RX0011** at 185:22–186:4 [REDACTED]  
[REDACTED]; **RX0012** at 69:22–25 [REDACTED]  
[REDACTED]  
[REDACTED]; *id.* at 196:3–17 [REDACTED]

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<sup>1</sup> The voice log prompts played during Jerald Sargent’s enrollment in 2012 vary slightly and state: “Project Leads are not guaranteed jobs but are potential customer opportunities where ServiceMagic [n/k/a HomeAdvisor] has introduced your business information to the consumer through your online profile. The Project Leads will have consumers in various stages of the buying cycle. Our most successful Pros are those who actively manage their leads from the moment they receive the notification through to long term remarketing efforts on those they didn't win or initially contact.” **RX0095** Ex. 9.



[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
**RX0006** at 58:24–59:6 [REDACTED]

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]; **RX0015** at 114:4–13 [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

[REDACTED]; *accord, e.g.*, **RX0018** at 145:21–22.

8. The voice log similarly advises service providers to maximize use of their online profile page provided through HomeAdvisor to attract consumers: “Membership allows consumers to view your pro file and ratings and contact you directly. Homeowners have told us that ratings make a significant impact in their hiring decision. Make sure to add ratings and other content to your profile to increase your chances for success.” **RX0095 ¶¶ 6–9 & Exs. 1–12.**

9. In addition, if the service provider purchases the membership option that includes one month of mHelpDesk, the Voice Log states: “Your membership includes mHelpDesk, the industry’s top-rated mobile office management solution. Your first month of mHelpDesk is included in your membership, and subsequent months will be billed at the exclusive HomeAdvisor

member discounted price of 59 dollars and 99 cents per month. A Business Success Coach will be reaching out to set up your free coaching session with mHelpDesk.” **RX0095 ¶¶ 6–9 & Ex. 2.**

10. As of approximately July 2021, HomeAdvisor updated its enrollment process to require service providers, before joining the network, to review and affirmatively agree to an “Agreement to Key Terms.” **RX0095 ¶ 10.** The Agreement to Key Terms includes various information regarding HomeAdvisor’s services (described as “Angi Leads”), including that “Angi Leads provides project leads, not guaranteed jobs” and “You have the ability to control your account (including setting your task and zip coverage) through your Angi Leads App or Homepage, or by calling Angi Customer Care,” along with a link to HomeAdvisor’s Terms and Conditions and SP Key Provisions. *Id.* (emphasis in original). The SP Key Provisions reiterate that “[a] Lead is **NOT** a guaranteed job but the opportunity to sell a job to a consumer,” and states that “you may be entitled to receive credits under certain circumstances” with a link to HomeAdvisor’s Lead Credit Guidelines, which are publicly available. *Id.* (emphasis in original). In order to enroll in HomeAdvisor, service providers must affirmatively agree to these statements and HomeAdvisor’s Terms and Conditions on the Agreement to Key Terms form, and confirm, among other things, that the service provider is the owner of the company or a manager with authority to bind the company and has read, and consents to, certain legal notices referenced in the document. *Id.* & Exs. 13–17.

11. After completing the enrollment process, a background check is conducted on the service provider. If the service provider passes the background check and the account is otherwise approved, the service provider will be accepted into the HomeAdvisor network, at which time the service provider will obtain access to the HomeAdvisor Pro Portal and be eligible to receive leads.

*See, e.g.*, **RX0094** (webpage: “The owner or principal of each business in HomeAdvisor’s network (with the exception of Corporate Accounts) must pass a background check.”).

**B. Genuine Issues of Material Fact for Trial Exist Because Complaint Counsel’s Motion Incorrectly Asserts that HomeAdvisor’s Sales Representatives Read off Scripts.**

12. As stated above, service providers must speak to a HomeAdvisor sales representative over the phone to enroll in HomeAdvisor. However, during the sales and enrollment processes, HomeAdvisor representatives do not read off of pre-prepared remarks or “scripts.” *See, e.g.*, **RX0083** at 27:21–25 [REDACTED]

[REDACTED]

**RX0085** at 53:16–20 [REDACTED]

[REDACTED]; **RX0086** at 160:14–16 [REDACTED]; **RX0087** at 77:21–78:1 [REDACTED]

[REDACTED]

*See also* Mem. in Supp. of Compl. Counsel’s Mot. for Summ. Decision at 7–8 (conceding that HomeAdvisor “does not require sales agents to follow the scripts verbatim” (citing CC-SOF ¶ 30)).

13. Rather, each interaction between a prospective service-provider member and a HomeAdvisor representative is unique based on, among other things, needs and questions of the

prospective member, the prospective member's available time, the industry and market in which the prospective member operates, and the prospective member's preexisting familiarity with lead generation. *See, e.g.*, **RX0010** at 110–11 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]; **RX0006** at 64:17–21 [REDACTED]

[REDACTED]

**C. Genuine Issues of Material Fact for Trial Exist Because Complaint Counsel's Motion Ignores that Service Providers Set their own Profile Criteria at Enrollment.**

14. During enrollment-call process, service providers create personalized HomeAdvisor online profile pages in which they select the specific tasks and geographic areas they wish to service. *See, e.g.*, **PX0005** ¶ 2 (“[The HomeAdvisor sales representative] explained that HomeAdvisor would send us targeted leads that fit our company’s service area, both geographically and in terms of the work we do, which would be described on our company’s profile on the HomeAdvisor portal. [The sales representative] said that we could refine the types

of leads we wanted by modifying the filters or options available on our company’s profile on the HomeAdvisor portal.”); **RX0015** at 53:7–15 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]; **RX0006** at 67:17–

68:1 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

15. The lead criteria and the accompanying lead fees are then displayed on the provider’s HomeAdvisor online profile page, which remains accessible to and under the control of the service provider throughout their membership, and can be changed at any time. *See, e.g.*, PX0005 ¶ 2 (“[The HomeAdvisor sales representative] explained that HomeAdvisor would send us targeted leads that fit our company’s service area, both geographically and in terms of the work we do, which would be described on our company’s profile on the HomeAdvisor portal. [The sales representative] said that we could refine the types of leads we wanted by modifying the filters or options available on our company’s profile on the HomeAdvisor portal.”); **RX0015** at 53:7–15

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]; **RX0006** at 67:17–68:1 [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

**D. Genuine Issues of Material Fact for Trial Exist Because Complaint Counsel’s Motion Ignores that HomeAdvisor Educates Service Providers after Enrollment.**

16. HomeAdvisor continually works to deepen service provider’s understanding of the tools HomeAdvisor offers post-enrollment to enhance both their business and the homeowner customer experience. For example, HomeAdvisor generally conducts a post-enrollment welcome call with the service provider, during which the various aspects of HomeAdvisor’s services and additional questions are addressed. *See, e.g.,* **RX0097** at 33:23–34:8; **RX0081** at 65:21–25. HomeAdvisor also engages in sustained efforts after enrollment to help the service providers continue to familiarize themselves with HomeAdvisor’s products and services. *See, e.g.,* **RX0085** at 31:23–32:3 [REDACTED]  
[REDACTED]  
[REDACTED]

17. More broadly, HomeAdvisor’s customer-care organization remains available to assist service providers and answer their questions at any time. *See, e.g.,* **RX0097** at 28:22–30:10 (discussing some of the responsibilities that HomeAdvisor’s customer-care staff manages when service providers reach out to HomeAdvisor with questions or issues).

**II. FUNDAMENTALS OF THE LEAD GENERATION INDUSTRY, SUPPORTED BY EXPERT ANALYSIS, RAISE GENUINE ISSUES OF MATERIAL FACT FOR TRIAL**

18. Lead generation is a marketing strategy designed to encourage consumers to “raise their hands” and affirmatively show interest in a product or service. *See* **RX0001 (a/k/a “Hidalgo Rpt.”)** at 3–4.<sup>2</sup> And at a high level, within the industry among those companies involved in large-scale lead generation, such as HomeAdvisor, and those whose work depends on sourcing and converting leads such as SPs, it is generally understood that a “lead” is just that: a consumer who has affirmatively expressed an interest in a product or service. *Id.* at 3–4.

19. However, there is no single agreed-upon definition of “lead” in the lead generation industry more broadly, as the nature of a lead is inherently business- and context-dependent. *Id.* at 4. Lead generation, however, stands in contrast to traditional “brand awareness” marketing, which aims to heighten consumer recognition or recall of a particular product or brand at a general level—that is, *without* the affirmative expression of self-interest at the core of any accepted definition of a “lead.” *Id.*

20. Lead generation is common across a wide variety of industries, including e-commerce, technology, home services, and software as service, and is used by numerous companies worldwide. *Id.* at 4–8.

21. Consumers increasingly rely on the internet to source products and services. *Id.* at 8. Online lead generation companies often serve a useful role in the sales process, because service providers generally are not able to be present across even a majority of the potential online

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<sup>2</sup> As many of the documents cited in Mr. Hidalgo’s report bear a bates prefix of “HA” (having been previously produced under that prefix), HomeAdvisor provides with this submission a cross-reference at RX0187 to show the accompanying “HOMADVISOR\_FTC” bates prefixes for these same documents.

channels that consumers might use. *Id.* Many businesses and service providers similar to HomeAdvisor’s service-provider members, especially sole proprietorships and small- and medium-sized businesses, may not have the funds needed to invest in all or even most of the available channels at the level needed to generate enough leads to sustain and grow their business. *Id.* at 8–10 (explaining that “consumers use a broad spectrum of internet sources to locate products and services,” and how online lead generation companies give small- and medium-sized businesses a cost-efficient and effective way to market themselves broadly across those channels). Service providers also may not have the time, expertise, or employee resources to be meaningfully present on all available channels, as each channel needs to be carefully monitored and managed to nurture and successfully convert potential consumers (leads) into jobs. *Id.* at 9.

22. Online lead generation companies solve this market disconnect by locating consumers across a large swath of channels—by bidding on key words, operating landing pages and domains, and working with affiliates—to drive a mass of consumers that have affirmatively expressed interest in a particular product or service to providers of that product or service. *Id.* Providers that receive leads from online generation companies benefit from receiving aggregated, verified leads via one source, investing in one lead generation company as opposed to dozens of platforms, and receiving leads from consumers that already have expressed interest in the products or services they provide. *Id.* at 10.

23. Similarly, online lead generation companies also provide a valuable service to consumers by providing streamlined access to multiple providers, price comparisons among providers, and easier means of contact with those providers. *Id.* Online lead generation companies thus provide a simplified “one-stop shop” for consumers who otherwise would have to check and



review dozens of websites to compare meaningfully the products or services offered by multiple sellers. *Id.*

24. Online lead generation companies are particularly valuable in the home-services industry, and HomeAdvisor is just one of many others in this space, including QuinStreet, Thumbtack, Amazon Home Services, Yelp, and Porch. *Id.* at 11–13. These companies provide home-services leads to service providers by matching them with consumers who have shown an interest in those services (generally by phone call or by filling out online form). *Id.* After a consumer submits the necessary information and thereby affirmatively shows their interest in a product or service, that consumer’s lead is then matched, for a fee, to service providers who have indicated their willingness to perform the particular requested service in that consumer-lead’s particular geographic market. *Id.*

25. Generating a consumer “lead” is only the first stage of many in the demand-generation process. *Id.* at 14–19 (outlining the several stages of the demand-generation process and collecting sources describing each stage of that multi-stage process).

26. Collectively, the stages of the sales process constitute what is commonly referred to in the marketing industry as the “sales funnel.” *Id.*

27. In the online lead generation industry, the stages of the sales funnel can be broadly characterized as:

- a. ***Stage 1 – Lead Capturing and Verification.*** The first stage involves the collection of consumer information and preferences through online submission forms. *Id.* at 14–16. These forms require consumers to share personal details, like their contact information, and information about the type of project or service that they are interested in. *Id.* By completing these submission forms, consumers affirmatively confirm their interest

in that particular project or service. *Id.* Before a consumer’s information is sold as a lead, however, online lead generation companies often apply additional checks—both automated or technical and manual—to further evaluate and screen that information submitted online. *Id.* at 16.

b. ***Stage 2 – Sales Outreach.*** Once leads have been captured and verified, the lead information is turned over to the service provider. *Id.* By selling the lead—*i.e.*, providing the information that the consumer provided—to the service provider, the online lead generation company “passes the baton” to the service provider, whose job it becomes to convert the lead that it purchased into a closed sale by, among other things, promptly establishing contact generally through professional phone calls, text messages, emails, or letters. *Id.*; *see also, e.g.,* **RX0010** at 249:15–21 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]; *see also* **RX0065** ¶ 5 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]; **RX0068** ¶ 4 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]; **RX0067** ¶ 9 [REDACTED]

[REDACTED]

[REDACTED]; **RX0071** ¶¶ 4, 9 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]; **RX0066** ¶ 4 [REDACTED]

[REDACTED]. During this initial

outreach, the service provider also assesses whether the consumer-lead fits their own

personal criteria for a service or project that they can and want to perform—*e.g.*, on a

budget agreeable to both consumer and service provider, on a mutually agreeable timeline,

and so on. **RX0001** at 16; *see also* **RX0010** at 101:22–102:2 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]; **RX0007** at 68–69 [REDACTED]

[REDACTED]

c. ***Stage 3 – Lead Nurturing.*** After making consistent and diligent efforts to reach out to their leads, service providers must then follow up with consumers who are not yet “sold” on that particular service to build their trust, address their needs and concerns, and allow the consumer to make an informed choice. **RX0001** at 17–19. This is known in the lead-generation industry by lead generators and lead buyers alike as the “nurturing” process. *Id.*; *see also* **RX0010** at 249 [REDACTED]

[REDACTED] A lack of

adequate lead nurturing can create a “leaky funnel” and lead to lower opportunity-to-sales

conversion rates and overall return-on-investment (“ROI”). **RX0001** at 17–18 (describing

and including an illustration of a “leaky” sales funnel).

d. ***Stage 4 – Sales Conversion.*** After receiving, consistently and professionally contacting, and thoroughly nurturing a lead, the service provider must

submit a bid, estimate, quote, or contract that the consumer can accept to complete or close the sale. *Id.* at 18. Not all leads that are qualified as opportunities will close as won deals, and not all consumers who receive a bid and/or contract will close as won deals. *Id.* However, when service providers take steps to consistently and diligently nurture and develop their leads, they can make money from those leads. *See, e.g.,* **RX0070** ¶ 4

[REDACTED]

[REDACTED]

[REDACTED] **RX0069** ¶ 5 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

e. ***Stage 5 – Post-Conversion Nurturing.*** To maximize value from the leads that they buy, it is also incumbent on service providers to maintain contact with their consumer-leads and continue to “nurture” them to generate, among other things: (i) repeat, recurring, or related purchases; (ii) word-of-mouth referrals to persons such as friends, relatives, neighbors, or coworkers; and/or (iii) online reviews or recommendations that other potential customers can turn to when deciding whether to hire that service professional for their own projects. **RX0001** at 18–19. In the lead-generation industry, this is known as maximizing a customer’s “lifetime value.” *Id.* Through meaningful post-sale nurturing, service providers can extract value from a lead many times over. *Id.*; *see also, e.g.,* **RX0068** ¶ 3 [REDACTED]

[REDACTED] **RX0071** ¶ 10 [REDACTED]

[REDACTED]

[REDACTED]

**III. FUNDAMENTALS OF HOMEADVISOR’S BUSINESS MODEL, SUPPORTED BY EXPERT ANALYSIS, RAISE GENUINE ISSUES OF MATERIAL FACT FOR TRIAL**

**A. Genuine Issues of Material Fact for Trial Exist as to How HomeAdvisor Generates Service Requests and Ensures Lead Quality.**

28. HomeAdvisor is a lead generation company in the home-services industry that bridges the gap between consumers and service providers who perform a variety of services and projects around the home, from landscaping services, to pest control, to full home remodels.

**RX0001** at 19; **RX0062** at 46:24 [REDACTED]

[REDACTED]; **RX0072** (listing the many areas of home services that HomeAdvisor service professionals perform). HomeAdvisor is free for consumers (*i.e.*, homeowners). **RX0063** (“You are not charged for this service because service professionals pay advertising fees to participate in HomeAdvisor’s network. Service professionals specify the type of work they do and the geography they serve. HomeAdvisor provides new customer leads that match these requests and service professionals pay a fee for each lead they receive.”). “HomeAdvisor’s lead generation, verification, and quality control processes follow industry best practices for a business involved in large-scale lead generation, and are all designed to ensure that HomeAdvisor service providers receive leads from consumers who have affirmatively expressed interest in a particular task or service.” **RX0001** at 2.

29. HomeAdvisor’s innovative online marketplace has brought great value to hundreds of thousands of service providers and homeowners for nearly twenty-five years. *See, e.g.*, **RX0063** (“We’ve helped make millions of matches between consumers and service professionals . . . From our proprietary matching service, to the more than 1,200 home related articles on our website, we

offer the most comprehensive Internet tool available to consumers looking for home services, plus a growing portfolio of local services.”); **RX0074** at 8 (“Angi Inc. . . . connects quality home service professionals with consumers across more than 500 different categories, from repairing and remodeling homes to cleaning and landscaping. Over 239,000 domestic service professionals actively sought consumer matches, completed jobs, or advertised work through Angi Inc. platforms during the three months ended March 31, 2022.”); **RX0077** (“HomeAdvisor has the industry’s largest network of paying, high quality service professionals . . . .”); *see also, e.g.*, **RX0015** at 167 [REDACTED]

[REDACTED]; **RX0070** ¶ 4 [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

30. HomeAdvisor collects information in the form of “service requests” from consumers who have affirmatively expressed interest in a particular service—either by phone, through HomeAdvisor’s websites, or those of third-party affiliates—which are then vetted and sold as leads to its service provider members. **RX0001** at 19, 23–47 (detailing HomeAdvisor’s lead-generation methods); *see also, e.g.*, **RX0078** [REDACTED]

[REDACTED] When a service provider would like to stop or pause their leads, that service provider can do so on their own. *See, e.g.*, **RX0012** at 158:23–160:12; **RX0018** at 109:4–111:8 [REDACTED]

31. Service providers become HomeAdvisor members, and are entitled to receive leads, if they pay HomeAdvisor an annual membership fee and a per-lead fee. **RX0048** (HomeAdvisor

Answer & Affirmative Defenses) at 23, ¶ 5 (admitting that service providers are charged a yearly membership fee and per-lead fees).

32. HomeAdvisor does not charge service providers any other fees associated with the leads, and service providers keep 100 percent of the revenues from any job won from a lead under the service’s traditional membership. **RX0001** at 21.

33. Across all sources, HomeAdvisor gathers the core information from consumers to establish that they have affirmatively expressed an interest in a particular service, specifically the [REDACTED] *Id.* Requiring consumers to provide their personal information along with a particular service before they can submit a service request ensures that the consumers are in fact affirmatively opted in and are interested in being contacted by service providers, have a level of purchase intent, and desire to learn more about the service selected. *Id.* at 43–44. HomeAdvisor also collects additional information from consumers when submitting a service request. *Id.* at 44. These online forms aggregate the key information about the consumers and their affirmative interests in a product or service, which would otherwise be impossible for a provider to aggregate in the same volume manually and across manifold platforms and media. *Id.*

34. HomeAdvisor maintains robust [REDACTED]  
[REDACTED] *Id.* at 34–43.

35. These [REDACTED]  
[REDACTED]  
• [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

- [REDACTED]
- █ [REDACTED]

**RX0001** at 36–45; *see, e.g.*, **RX0105 & RX0106** (exemplary HomeAdvisor [REDACTED])

36. These [REDACTED] also require [REDACTED]

[REDACTED]

[REDACTED]

- [REDACTED]
- █ [REDACTED]
- █ [REDACTED]
- █ [REDACTED]
- █ [REDACTED]
- █ [REDACTED]
- █ [REDACTED]
- █ [REDACTED]
- █ [REDACTED]
- █ [REDACTED]

**RX0001** at 36–45; *see, e.g.*, **RX0105 & RX0106** (exemplary HomeAdvisor [REDACTED])



37. HomeAdvisor's more recent [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **RX0001** at 41–42; *see, e.g.*, **RX0175 &**

**RX0176** (exemplary HomeAdvisor [REDACTED])

38. As of approximately early 2020, HomeAdvisor [REDACTED]

[REDACTED]

[REDACTED] **RX0001** at 43; **RX0082** at 39:10–21;

44:11–14. The use of [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **RX0001** at 43; *see, e.g.*, **RX0175 &**

**RX0176.** [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **RX0001** at 43; **RX0082** at 54:22–55:7. As of approximately [REDACTED]

[REDACTED]

[REDACTED] **RX0001** at 43; **RX0082** at 48:9–48:14; 58:8–58:17.

39. At the inception of the relationship, moreover, [REDACTED]

[REDACTED]

[REDACTED] **RX0001** at 46; *see* **RX0104** at Interrog. 1; **RX0103** at Interrog. 7

[REDACTED]

[REDACTED]

[REDACTED]

40. HomeAdvisor’s leads are further verified at the individual service provider level via the company’s processes to match consumers with local service providers. **RX0001** at 46–47. HomeAdvisor matches its leads with service providers based on two primary factors: project type and geographic location, two pieces of information collected through all the service-request sources used by HomeAdvisor. **RX0001** at 46–47; **RX0076** at 24:12–22.

41. HomeAdvisor service providers control this match criteria, by setting the particular zip codes and tasks that they want to service from within their HomeAdvisor profile page. **RX0001** at 47; *see, e.g.*, **RX0076** at 24:15–22; **RX0010** at 188:6–22 [REDACTED]

[REDACTED]

**RX0015** at 53:7–15 [REDACTED]

[REDACTED]

[REDACTED]; **RX0006** at 67:17–68:1 [REDACTED]

[REDACTED]

42. Service providers are then presented with leads that match both the zip codes and task types that they provided. **RX0001** at 47; **RX0076** at 24:12–22.

43. If a service provider enters a particular zip code or task in error within the first 30 days of his or her membership, HomeAdvisor offers credit to the service provider for any leads received containing the erroneously added zip code or task. **RX0001** at 47; **RX0097** at 81:20–82:20. This ensures that service providers receive leads for services that they perform, and where they want to perform them, based on information collected from consumers through HomeAdvisor’s and its affiliates’ channels.

44. Each of HomeAdvisor’s lead generation methods, processes and controls discussed above collectively work to ensure that the leads HomeAdvisor ultimately provides to its service providers are verified, *i.e.*, are from consumers who have affirmatively indicated an interest in a particular product or service and have shown an initial intent to purchase. **RX0001** at 43–47.

45. In addition to connecting consumers and service providers through leads, HomeAdvisor promotes service providers through bespoke online profiles that allow service providers to showcase their services, photos of their work, and consumer reviews, among other things, all of which are valuable aspects of a HomeAdvisor membership for a service professional. *See, e.g.*, **RX0001** at 29–31; **RX0010** at 92–95, 104–06 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]; **RX0012** at 162:7–163:23 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

46. Consumers may locate, contact, and hire service providers directly through these publicly available online HomeAdvisor business pages. *See* **RX0001** at 29; **RX0079**; *see also*, *e.g.*, **RX0010** at 92–95, 104–06.

47. When the service providers make direct contact with a prospective homeowner customer through these online business pages, HomeAdvisor does not charge the service provider any additional fee and the provider pays nothing to HomeAdvisor if the contact results in a job. *See* **RX0080** ¶¶ 10–15.

**B. Genuine Issues of Material Fact for Trial Exist as to the Operation and Efficacy of HomeAdvisor’s Technical Lead Filtering and Verification Processes.**

48. Once HomeAdvisor obtains a service request via one of the means described above, HomeAdvisor applies additional quality control mechanisms [REDACTED]

[REDACTED] before the lead reaches any service provider. **RX0001** at 47–66.

49. *First*, once HomeAdvisor obtains a service request, [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] *Id.*

50. [REDACTED]

[REDACTED]

[REDACTED] **RX0001** at 47–66; **RX0075**; **RX0101** at 39–133.

51. [REDACTED]

[REDACTED]

[REDACTED] **RX0001** at 48, 61; **RX0101** at 42:16–44:6. [REDACTED]

[REDACTED]

[REDACTED] **RX0001** at 61.

52. From there, [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **RX0001** at 48–51; **RX0075** at 1–2; **RX0101** at 42:16–43:24;  
45:24–46:22; 93:22–107:8.

53. When the service request [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **RX0001** at 56–58; **RX0075** at 1, 3; **RX0101** at 74:1–75:13; 110:24–111:17.

54. Certain of these [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **RX0001** at 48–60; **RX0075**.

55. HomeAdvisor's [REDACTED]

[REDACTED] **RX0001** at 51-52;  
**RX0101** at 53:12-56:11; 82:2-11, 108:18-109:7; **RX0177** at 13:9-14, 37:19-42:6, 48:22-50:2.

[REDACTED]

[REDACTED] **RX0001** at 51-52; **RX0101**  
at 117:2-117:12; **RX0075** at 5. [REDACTED]

[REDACTED] **RX0001** at 51-52; *see, e.g.*, **RX0177** at  
13:9-14, 37:19-42:6, 48:22-50:2; **RX0075** at 5; **RX0152**.

56. [REDACTED] **RX0001** at

62; **RX0178** at 31:10-15, 112:17-113:1. [REDACTED]

[REDACTED] **RX0001** at 54; **RX0101** at 57:11-57:15; *see also*  
**RX0178** at 31:5-15; 112:11-113:20. [REDACTED]

[REDACTED]

[REDACTED] **RX0001** at 54; **RX0101** at 57:8-58:7, 62:12-63:6; **RX0178** at 22:21-23:17.

[REDACTED]

[REDACTED] **RX0001** at 54;  
**RX0179**; **RX0178** at 35:13-18, 49:21-51:20 & **RX0180** at 6-7.

57. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **RX0001** at 54; **RX0178** at 49:21-51:20, 55:3-56:25. [REDACTED]

[REDACTED]

[REDACTED] **RX0001** at 54; **RX0178**

at 55:3–56:25. [REDACTED]

[REDACTED]

[REDACTED] **RX0001** at 54; **RX0178** at 55:3–56:11. [REDACTED]

[REDACTED]

[REDACTED]

**RX0001** at 54–55; **RX0101** at 60:9–68:4; **RX0075**.

58. [REDACTED]

[REDACTED]

[REDACTED] **RX0001** at 62; **RX0178** at 20:17–22:4. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **RX0001** at 62; **RX0178**

at 110:21–112:6.

59. Specifically, [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **RX0001** at 62; **RX0178** at 26:5–18. [REDACTED]

[REDACTED]

[REDACTED] **RX0001** at 62; **RX0178** at 26:19–27:23, 114:4–

115:13. [REDACTED]

[REDACTED] **RX0001** at 62; **RX0178** at 26:19–

27:23, 110:18–111:25. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **RX0001** at 62; **RX0178** at 26:19–27:12. [REDACTED]

[REDACTED]

[REDACTED]

**RX0001** at 62; **RX0178** at 110:18–111:25. [REDACTED]

[REDACTED]

[REDACTED] **RX0001** at 62; **RX0178** at 46:1–47:11, 109:16–23, 119:12–120:3.

60. Second, [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **RX0001** at 60–61; **RX0101** at 95:10–99:4. Specifically,

[REDACTED]

[REDACTED] **RX0001** at 60; **RX0101** at 95:10–99:4. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **RX0001** at 61; **RX0101**

at 223:10–230:8; **RX0076** at 58:4–18, 59:5–19.

61. HomeAdvisor’s [REDACTED] further establish that HomeAdvisor is making substantial efforts to ensure that its leads are verified before they reach service providers. **RX0001** at 65–66.



**C. Genuine Issues of Material Fact for Trial Exist as to How HomeAdvisor Monitors and Controls Lead Quality.**

62. HomeAdvisor monitors several metrics in an effort to track and address service request performance and quality, and has established associated internal benchmarks for these metrics, including: [REDACTED]

[REDACTED] **RX0001** at 66; **RX0103** at Interrog. 10.

63. [REDACTED]

[REDACTED] **RX0001** at 68–70; **RX0110** at 54:18–55:10, 81:15–81:22, 87:25–88:5; **RX0064** at 190:8–190:15. HomeAdvisor has historically [REDACTED]

[REDACTED] **RX0001** at 69; *see, e.g.*, **RX0082** at 98:15–20 [REDACTED]

[REDACTED]; **RX0081** at 60:14–60:20 [REDACTED]

[REDACTED] **RX0001**

at 70; **RX0002 ¶ 5 & Appendix A, Exhibit 3.**

64. Lead generation, across all industries, operates on the presumption that far less than 100% of leads will convert to sales, because a lead has not yet been qualified as an opportunity and is several steps removed from a closed sale. **RX0001** at 71. Between verified lead receipt and closing a sale, a significant number of important service provider-driven events affect the consumer’s ultimate likelihood to purchase, along with other individualized factors that bear on

each service provider-consumer sales interaction. *Id.* [REDACTED]  
[REDACTED]  
[REDACTED] as well as the  
company's own internal benchmarks. *Id.* at 74.

65. [REDACTED]  
[REDACTED]  
[REDACTED]  
**RX0001** at 74–75; **RX0082** at 76:23–77:12; **RX0073** at 116:4–11. HomeAdvisor has used this  
data to inform appropriate action to take [REDACTED] **RX0001** at 75;  
**RX0073** at 132:7–133:22, 160:5–161:7–13.

66. [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED] **RX0001** at 75–76; **RX0076** at 100:17–101:13; **RX0082** at 96:24–98:2; *see*  
*also* **RX0111** (email transmitting [REDACTED] HomeAdvisor  
[REDACTED]  
[REDACTED]  
**RX0001** at 76; **RX0082** at 92:13–19; **RX0076** at 100:17–101:13. HomeAdvisor met these  
benchmarks during the time period at issue in this litigation, [REDACTED]  
[REDACTED] **RX0001** at 76; **RX0002** ¶ 3 &  
**Appendix A, Exhibit 1.**

67. [REDACTED]  
[REDACTED]

[REDACTED] **RX0001** at 77; *see, e.g.*, **RX0110** at 43:12–43:23. HomeAdvisor benchmarked

[REDACTED]

[REDACTED]

[REDACTED] **RX0001** at 77; **RX0082** at 95:16–97:9.

HomeAdvisor met that [REDACTED]

[REDACTED] **RX0001** at 77; **RX0002** ¶ 6 &

**Appendix A, Exhibit 4.**

68. HomeAdvisor has utilized data [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **RX0001** at 67–68; *see* **RX0112** at 27:22–29:15, 90:23–92:7, 169:15–170:6, 209:14–214:8, 220:24–224:5; **RX0076** at 115:4–117:7; 121:23–122:13, 127:7–128:8; **RX0082** at 99:24–101:7; 105:9–14.

69. HomeAdvisor also has reviewed the content of [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **RX0001** at 68; **RX0076** at 130:20–132:25; **RX0112** at 45:13–46:20, 88:6–89:13, 122:1–126:11, 142:10–143:7, 186:9–14. HomeAdvisor furthermore has communicated directly [REDACTED]

[REDACTED]

[REDACTED].} **RX0001** at 68;  
**RX0112** at 45:13–46:20, 142:10–143:7, 186:9–14. When, in the course of monitoring [REDACTED]

[REDACTED]  
[REDACTED] **RX0107** at ‘243  
{(discussing HomeAdvisor’s termination of [REDACTED] [REDACTED]  
[REDACTED]

70. The fact that HomeAdvisor has established benchmarks across the above metrics, and worked to meet them, indicates HomeAdvisor is effectively utilizing various methods to ensure that its leads are verified and maintain consistent levels of quality before they reach service providers. **RX0001** at 66–68.

**D. Genuine Issues of Material Fact for Trial Exist as to the Operation and Efficacy of HomeAdvisor’s Lead Credit Policies.**

71. Even when appropriate quality control mechanisms are in place such as technical checks and quality monitoring practices, a lead generator cannot guarantee that all of its leads will be from consumers who have completely and accurately and completed a service request questionnaire. **RX0001** at 77. No technical or manual process related to service request generation or filtering is foolproof, and it is widely accepted in the lead industry that some number of illegitimate service requests are likely to reach service providers within any lead generation company. *Id.* As a result, best practice generally is for a lead generation business to maintain a credit or refund policy to allow its service providers to seek some form of reimbursement if an illegitimate lead is inadvertently sold. *Id.* HomeAdvisor’s credit policies adhere to best practices and allow service providers a meaningful opportunity to seek and obtain credit on illegitimate leads. *Id.* at 77–78.

72. HomeAdvisor’s credit policy is memorialized in its publicly-available Lead Credit Guidelines, which state that the following situations may be eligible for lead credits and that discretionary credits may be issued even for credits that fall outside the guidelines if the credit is requested within 30 days. **RX0001** at 78; **RX0113 & RX0114**. There are [REDACTED] [REDACTED] under the Lead Credit Guidelines. **RX0097** at 63:16–64:2; **RX0001** at 79. Service providers can request a credit by calling HomeAdvisor and speaking with a customer care representative, submitting the credit online via their HomeAdvisor Pro Portal pages, or submitting the credit through the HomeAdvisor app. **RX0001** at 79; **RX0097** at 61:18–62:3. HomeAdvisor maintains [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] **RX0001** at 88; *see* PX0038. In addition, HomeAdvisor maintains an [REDACTED] [REDACTED] [REDACTED] regardless of the reason selected or the merit of the underlying credit request. **RX0001** at 89; **RX0097** at 185:11–186:23; **RX0073** at 66:16–67:19; **RX0064** at 125:10–125:23, 139:10–143:23, 149:22–150:17. HomeAdvisor’s credit policy is comparable to credit or refund policies instituted by other, similar companies in the lead industry. **RX0001** at 79–88.

73. Data spanning the time period at issue in this litigation indicates that [REDACTED] [REDACTED]

**RX0001** at 89; **RX0002**

**¶ 4 & Appendix A, Exhibit 2.**

**III. GENUINE ISSUES OF MATERIAL FACT FOR TRIAL EXIST BECAUSE COMPLAINT COUNSEL’S MOTION IGNORES THAT VARIOUS FACTORS BEAR ON THE OUTCOME OF ANY SALES INTERACTION**

74. A foundational concept in the lead generation industry is that there are numerous factors that impact a consumer’s hiring decision, and not every lead is guaranteed to result in paying work. **RX0001** at 90–91. This is because no two consumers, service providers, or sales interactions are alike, and there are numerous factors that bear on the outcome of any sales interaction. *Id.* at 90–102. HomeAdvisor’s Terms and Conditions for service professionals therefore state: “We limit the number of Service Professionals that are matched to a customer. We do not guarantee to provide you any specific number of Leads, nor do we make guarantees, representations or warranties regarding a customer’s level of interest, their desire to have work completed, their ability to pay you, the accuracy of the information provided by the customers, or that any customers will hire you to perform services, nor do we guarantee that you will successfully contact each customer. We are not involved in, nor do we have any responsibility for your contracts with customers, their creditworthiness, or any payments to you or any disputes they may have with you or you may have with them.” **RX0092**.

75. Each level of the sales funnel reflects the various phases of the lead sale process, from the moment a consumer’s information is captured, to the ultimate sale. **RX0001** at 15–20. This reflects the general rule in the industry that leads are individuals who have expressed an interest in a service or solution, but still require significant effort by the service provider in order for them to convert to qualified opportunities. *Id.* at 102–03. And because all leads and lead-to-service-provider interactions are unique, even where a service provider utilizes consistent best

efforts to do so, the variable nature of each sales interaction indicates that comparatively small percentage of leads will ultimately result in paying work. *Id.*

76. The Complaint Counsel's [REDACTED]

[REDACTED]

[REDACTED] *Id.* at 93–98. These factors include:

a. *References or reviews from prior customers.* See, e.g., **RX0010** at 60:23–

61:3 [REDACTED]

[REDACTED]

**RX0011** at 40:19–41:2 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] *id.* at 44:2–10 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **RX0015** at 81:22–

82:11 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **RX0012** at 59:11–19 [REDACTED]

[REDACTED]  
[REDACTED]  
RX0006 at 37:14–16 [REDACTED]  
[REDACTED]

b. *A service provider’s website or online presence. See, e.g., RX0010 at 81:1–6* [REDACTED]  
[REDACTED]  
[REDACTED]

RX0015 at 83:9–13 [REDACTED]  
[REDACTED]  
[REDACTED]

[REDACTED] RX0006 at 25:25–26:4  
[REDACTED]  
[REDACTED]  
[REDACTED]

c. *Price. See, e.g., RX0010 at 98:19–25* [REDACTED]  
[REDACTED]  
[REDACTED]

[REDACTED] RX0011 at 40:10–17 [REDACTED]  
[REDACTED]  
[REDACTED]

[REDACTED] RX0015 at 86:23–25  
[REDACTED]  
[REDACTED]

[REDACTED] RX0012 at 62:7–14 [REDACTED]



[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **RX0007** at 66:1–

8 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **RX0006** at 31:15–17 [REDACTED]

[REDACTED] *id.* at 36:11–14 [REDACTED]

[REDACTED]

[REDACTED]

*cf.* **RX0013** at 121:21–25 [REDACTED]

[REDACTED]

[REDACTED] *id.* at 135:7–13 [REDACTED]

[REDACTED]

[REDACTED]

d. *Responsiveness and professionalism.* See, e.g., **RX0010** at 59:24–60:9

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] *id.* at 62:16–63:2 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **RX0011** at 43:7-10 [REDACTED]

[REDACTED]

**RX0015** at 87:5-8 [REDACTED]

[REDACTED] *id.* at 88:7-

12 [REDACTED]

[REDACTED]

[REDACTED] **RX0012** at

62:21-23 [REDACTED]

[REDACTED] *id.* at 63:6-8 [REDACTED]

[REDACTED] **RX0007** at 64:25-65:6 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **RX0006** at 36:17-20 [REDACTED]

[REDACTED]

[REDACTED]

e. *Quality of work.* See, e.g., **RX0010** at 59:18-22 [REDACTED]

[REDACTED]

[REDACTED] **RX0011** at 42:2 -25 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]; **RX0015** at 87:11–15 [REDACTED]

[REDACTED]

[REDACTED] **RX0012** at 62:24–63:1 [REDACTED]

[REDACTED] **RX0006** at 37:10–13 [REDACTED]

[REDACTED]

[REDACTED]

f. Other inherently subjective and idiosyncratic considerations like trust and the consumer’s overall experience across industries. *See, e.g.,* **RX0010** at 56:1–18 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] *id.* at 65:17–66:2 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

**RX0011** at 43:15–19 [REDACTED]

[REDACTED] **RX0015**

at 88:14–89:2 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **RX0012** at 63:24–64:13 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **RX0007** at 67:7–19 [REDACTED]

[REDACTED]

[REDACTED]

77. A service provider’s conduct in interacting with the lead normally has a significant impact on whether the lead will be converted to a job for that service provider. **RX0001** at 102–03. The lead generation industry recognizes certain service provider behaviors as critical to maximizing lead contact and conversion across consumers and industries. *Id.* Service providers that consistently follow these behaviors are more likely to engage in meaningful interaction with consumers and, ultimately, secure paying work from those consumers. *Id.* Two of these key behaviors include (1) speed to initial sales outreach; and (2) consistent nurturing of and follow-up with each lead in a consistent manner. *Id.* at 102–122.

78. Service providers that consistently engage in these behaviors are likely to be more successful in converting leads to closed sales and increasing return on investment as compared to service providers that do not. **RX0001** at 102–03. When such a disciplined approach is missing, it is not uncommon for leads to fall out of the service provider’s sales funnel at initial sales outreach

or subsequent stages of the sales funnel. *Id.* In such a case, the service provider loses value on that lead because of the service provider’s failure to convert a lead into an opportunity, and an opportunity into a closed sale. *Id.* Leads are possibilities that can convert into qualified opportunities, but are not guaranteed sales. *Id.* at 114.

79. Data from the relevant time period at issue in this litigation supports the correlation between service providers’ speed to contact and lead nurturing efforts and success with their leads. **RX0001** at 102–122; **RX0002 ¶¶ 8, 10 & Appendix A, Exhibits 6, 8.**

80. Several of Complaint Counsel’s witnesses [REDACTED]  
[REDACTED] *See, e.g.,* **RX0010** at 249:15–25 [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED] **RX0013** at 120:12–13 [REDACTED]  
[REDACTED] **RX0011** at 185:22–186:4 [REDACTED]  
[REDACTED] **RX0012** at 69:22–25 [REDACTED]  
[REDACTED] *id.* at 196:3–17 [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED] **RX0006** at 58:24–59:6 [REDACTED]  
[REDACTED]

[REDACTED]  
[REDACTED]  
[REDACTED] **RX0015** at 114:4–13 [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

[REDACTED] *see also* **RX0018** at 145:21–22.

81. Several of Complaint Counsel’s declarants [REDACTED]

[REDACTED] *See, e.g.,* **RX0006** at 59:7–11 [REDACTED]

[REDACTED]  
[REDACTED]

[REDACTED] **RX0015** at 114:23–115:1 [REDACTED]

[REDACTED]

[REDACTED] **RX0007** at 107:1–9 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

**IV. GENUINE ISSUES OF MATERIAL FACT FOR TRIAL EXIST BECAUSE COMPLAINT COUNSEL’S MOTION IGNORES THAT RETURN ON INVESTMENT IS A STANDARD METHOD OF VALUING A LEAD SERVICE**

82. Return on investment is the key performance indicator, and industry standard, that measures the success of a lead generation program. **RX0001** at 121–129.

83. When the service provider has successfully completed all steps of the sales funnel, the end result should be a positive return on investment in the lead generation service with the potential for future repeat work, referrals, or new business generated from positive reviews from past customers. **RX0001** at 119–20.

84. Like other marketing or advertising services, lead generation is an investment, the value of which is measured in the industry by the service provider’s ultimate return on investment. **RX0001** at 120. As such, a lead’s value is not ascertainable at the time of receipt; rather, it is measured over time as the service professional makes (or fails to make) best efforts to convert the lead into a customer (and, later, a customer who provides referrals, reviews, or buys repeat services). *Id.*

85. HomeAdvisor’s leads are priced so that a service professional can win a comparatively low percentage of leads and still maintain a positive ROI. **RX0001** at 126.; *see* **RX0081** at 60:15–18 [REDACTED]

[REDACTED]

[REDACTED] *id.* at 195:4–12 [REDACTED]

[REDACTED]

[REDACTED] **RX0082** at 98:15–20 [REDACTED]

[REDACTED]

[REDACTED] **RX0083** at 215:16–25 [REDACTED]

[REDACTED]

[REDACTED] *see*

*also, e.g.,* **RX0084** (webpage quoting Howard Molen of HFM Builders, a HomeAdvisor member since 2003: “[Molen, a HomeAdvisor SP] equates the HomeAdvisor lead system with getting into

the Baseball Hall of Fame. You might not hit every ball—or win every lead—but if you close just a handful, you’re in great shape. ‘You close 3 out of the 10 [leads]—30 percent—*that’s hall of fame,*’ Molen says. And even if he did win all 10 leads, Molen says, he couldn’t do all 10 jobs.” (emphasis added).

86. HomeAdvisor’s pricing model thus accounts for, among other things, (1) competition among service providers to win work from consumers, (2) the possibility that consumers might hire a service provider unaffiliated with HomeAdvisor, and (3) the possibility of a consumer ultimately changing his or her mind and choosing not to pursue his or her previously expressed interest in a service. **RX0001** at 126; **RX0113 & RX0114** (“The following situations are accounted for in our lead pricing and therefore not eligible for lead credits”: “Consumer is not calling you back”; “Consumer already found someone to complete the work”; “Consumer changed their mind”; “Consumer is just ‘shopping’”; “You did not win the job”). [REDACTED]

[REDACTED]

**RX0001** at 126–27; **RX0081** at 168:14– 169:11; **RX0076** at 76:1–8. HomeAdvisor’s pricing model is a commonly used model in the lead generation industry. **RX0001** at 127. Based on this model, even if only a small subset of consumers make it all the way through the sales funnel, the ROI resulting from consumers that do convert into sales should exceed HomeAdvisor’s lead and subscription fees, [REDACTED]

[REDACTED] *Id.*

87. One of Complaint Counsel’s [REDACTED]

[REDACTED] **RX0015** at 158:3–11; 167:11–19. [REDACTED]

[REDACTED]



[REDACTED] **RX0015** at 101:23–102:9; *see* PX0008 ¶ 1; **RX0015** at 53:17–18, 101:23–102:9. [REDACTED]

[REDACTED] **RX0015** at 159:17–22.

**V. COMPLAINT COUNSEL’S DECLARATIONS DO NOT DEMONSTRATE ANY WIDESPREAD PATTERN OR PRACTICE AND, AT A MINIMUM, RAISE GENUINE AND MATERIAL FACT ISSUES FOR TRIAL**

**A. The Service Provider Declarants’ Testimony Undermines Complaint Counsel’s Motion and Raises Genuine and Material Fact Issues for Trial.**

88. The declarations that Complaint Counsel submitted from former *and current* HomeAdvisor service providers demonstrate that material fact issues exist about the nature and extent of HomeAdvisor’s alleged misstatements about its lead quality. Indeed, certain of those service provider declarants [REDACTED]

[REDACTED] *see, e.g.,* **RX0010** at 116:21–119:7

[REDACTED] **RX0012** at 111–12, 121–22 [REDACTED]

[REDACTED] PX0008 (mentioning no statements at all from HomeAdvisor sales representatives at enrollment); PX0003 (mentioning no statements from HomeAdvisor sales representatives at enrollment about leads being “project ready,” “serious,” “qualified,” “ready to hire,” or “verified,” except that leads were from “potential customer[s] who had completed an online service request” and were “actively seeking a service provider for a job”)—let alone understood any of those phrases to mean anything definite about HomeAdvisor’s leads, *see, e.g.,* **RX0010** at 117:22–25

[REDACTED]

[REDACTED] The depositions of each of these declarants demonstrated why this is the case.

89. **Kelly Hopkins**, a service provider who signed a declaration that Complaint Counsel submitted in support of their Motion, is not a credible witness. And his declaration and testimony implicate disputed fact issues that must be resolved by the Administrative Law Judge before any decision on the merits appropriately can be made.

a. [REDACTED]

[REDACTED]

[REDACTED]

b. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

c. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] [REDACTED] [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

d.

[REDACTED]

e.

[REDACTED]

f.

[REDACTED]

[REDACTED]

g.

[REDACTED]

h.

[REDACTED]

i.

[REDACTED]

j.

[REDACTED]

k.

[REDACTED]

[REDACTED]

**m.**

[REDACTED]

[REDACTED]

**n.**

[REDACTED]

[REDACTED]

**o.**

[REDACTED]

[REDACTED]



90. **Eva Moser**, a service provider who signed a declaration that Complaint Counsel submitted in support of their Motion, is an incredible witness. Her deposition testimony and declaration also implicate disputed issues of fact that the ALJ must resolve before any decision on the merits as a matter of law.

a. Eva Moser and her husband Dennis Moser own and operate a home remodeling and handyman business called D&E Home Services LLC, located in Springdale, Arkansas. PX0005 ¶ 1. [REDACTED]

[REDACTED]

b. [REDACTED]

c. [REDACTED]



[REDACTED]

d.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

e.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

f.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

g.

[REDACTED]

[REDACTED]

h.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

i.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

j. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

k. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

1. [REDACTED]

m. [REDACTED]

[REDACTED]

---

3 *See* Google Maps:  
<https://www.google.com/maps/place/E+Emma+Ave,+Springdale,+AR+72764/data=!4m2!3m1!1s0x87c96b288ab49cab:0xfe5d18269b532897?sa=X&ved=2ahUKEwi9iurz1YX4AhWcZTABHb0eBosQ8gF6BAgFEAE;>  
<https://www.google.com/maps/place/W+Emma+Ave,+Springdale,+AR/@36.1852902,-94.1518322,17z/data=!3m1!4b1!4m5!3m4!1s0x87c96b5661f5d525:0xf6271fa2ad16f18!8m2!3d36.1852902!4d-94.1496435>. *See also In re Propranolol Antitrust Litig.*, 249 F. Supp. 3d 712, 731 n.27 (S.D.N.Y. 2017) (noting that courts “commonly” take judicial notice of Google Maps data).

[REDACTED]

n.

[REDACTED]

[REDACTED]

---

<sup>4</sup> See supra n.3.

0.

[REDACTED]



[REDACTED]

91. **Bill Nash**, a service provider who signed a declaration (PX0137) that Complaint Counsel submitted in support of their motion for summary decision, is not a credible witness. And his declaration and testimony implicate disputed fact issues that must be resolved by the Administrative Law Judge before any decision on the merits appropriately can be made.

a. [REDACTED]

b. [REDACTED]

c. [REDACTED]

[REDACTED]

d. [REDACTED]

[REDACTED]

e. [REDACTED]

[REDACTED]

f. [REDACTED]

[REDACTED]

[REDACTED]

g.

[REDACTED]

[REDACTED]

h.

[REDACTED]

i.

[REDACTED]

[REDACTED]

j.

[REDACTED]

[REDACTED]

[REDACTED]

k. [REDACTED]

[REDACTED]

[REDACTED]

l. [REDACTED]

[REDACTED]

[REDACTED]

m. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

n. [REDACTED]

[REDACTED]

o. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

p. [REDACTED]

[REDACTED]

[REDACTED]

q.

[REDACTED]

r.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

s. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

t. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

u. [REDACTED]

[REDACTED]

[REDACTED]

v. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

w.

[REDACTED]

x.

[REDACTED]

y.

[REDACTED]

z.

[REDACTED]

[REDACTED]

92. **Richard Prince**, a service provider who signed a declaration that Complaint Counsel submitted in support of their motion for summary decision, is not a credible witness. And his declaration and testimony implicate disputed fact issues that must be resolved by the Administrative Law Judge before any decision on the merits appropriately can be made.

a. [REDACTED]

[REDACTED]

b. [REDACTED]

[REDACTED]

c. [REDACTED]



[REDACTED]

d. [REDACTED]

[REDACTED]

e. [REDACTED]

[REDACTED]

f. [REDACTED]

[REDACTED]

g. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

h.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

i.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

j.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

k.

[REDACTED]

l.

[REDACTED]

m.

[REDACTED]

n.

[REDACTED]

o.

[REDACTED]

[REDACTED]

[REDACTED]

p.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

q.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

r.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

s.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

t.

[REDACTED]

[REDACTED]

[REDACTED]

u.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

v.

[REDACTED]

w.

[REDACTED]

x.

[REDACTED]

y.

[REDACTED]

z.

[REDACTED]

aa.

[REDACTED]

bb.

[REDACTED]

cc.

[REDACTED]

dd.

[REDACTED]

ee.

[REDACTED]



[REDACTED]

93. **Mark Rothermel**, a service provider who signed a declaration that Complaint Counsel submitted in support of their motion for summary decision, is not a credible witness. He and his testimony implicate disputed fact issues that must be resolved by the Administrative Law Judge before any decision on the merits appropriately can be made.

a. [REDACTED]

b. [REDACTED]

c. [REDACTED]

[REDACTED]

[REDACTED]

d. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

e. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

f. [REDACTED]

[REDACTED]

g. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

h. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

i. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

j. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

k. [REDACTED]

[REDACTED]

l. [REDACTED]

[REDACTED]

m. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

n. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

o.

[REDACTED]

p.

[REDACTED]

q.

[REDACTED]

r.

[REDACTED]

s.

[REDACTED]

[REDACTED]

[REDACTED]

94. **Jerald Sargent**, a service provider who signed a declaration that Complaint Counsel submitted in support of their motion for summary decision, is not a credible witness. His declaration and his testimony implicate disputed fact issues that must be resolved by the Administrative Law Judge before any decision on the merits appropriately can be made.

a. [REDACTED]

[REDACTED]

[REDACTED]

b. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

c. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

d. [REDACTED]

[REDACTED]

e. [REDACTED]

[REDACTED]

[REDACTED]

f. [REDACTED]

[REDACTED]

g. [REDACTED]

[REDACTED]

h. [REDACTED]

[REDACTED]

i. [REDACTED]

[REDACTED]

j.

[REDACTED]

k.

[REDACTED]

l.

[REDACTED]

m.

[REDACTED]

n.

[REDACTED]

o.

[REDACTED]

p.

[REDACTED]

q.

[REDACTED]

r.

[REDACTED]

s.

[REDACTED]

t.

[REDACTED] t



[REDACTED]

[REDACTED]

u.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

v.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

w.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

x.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

y.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

z.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

aa.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

bb.

[REDACTED]

[REDACTED]

[REDACTED]

cc.

[REDACTED]

95. **Trenton Grimes**, a service provider who signed a declaration that Complaint Counsel submitted in support of their motion for summary decision, is not a credible witness. His declaration and his testimony implicate disputed fact issues that must be resolved by the Administrative Law Judge before any decision on the merits appropriately can be made.

a.

[REDACTED]

b.

[REDACTED]

c.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

d. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

e. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

f. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

g. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

h. [REDACTED]

[REDACTED]

i. [REDACTED]

[REDACTED]

j. [REDACTED]

[REDACTED]

k. [REDACTED]

[REDACTED]

l.

[REDACTED]

m.

[REDACTED]

n.

[REDACTED]

o.

[REDACTED]

p.

[REDACTED]

q.

[REDACTED]

r.

[REDACTED]

[REDACTED]

96. **Ronda Winfield**, a home-staging service provider (operating under the business name Kellen Kole Designs) who signed a declaration entirely drafted by Complaint Counsel that Complaint Counsel submitted in support of their Motion, is not a credible witness. Her declaration and testimony also implicate disputed fact issues that the ALJ must resolve before making any decision on the merits.

- a. [REDACTED]
- [REDACTED]

[REDACTED]

b. [REDACTED]

[REDACTED]

c. [REDACTED]

[REDACTED]

d. [REDACTED]

[REDACTED]



[REDACTED]

[REDACTED]

e.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

f. [REDACTED]

g. [REDACTED]

h. [REDACTED]

[REDACTED]

[REDACTED]

i. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

j. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

k. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

l. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

m. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

n.

[REDACTED]

97. **Daniel Wade**, a former HomeAdvisor service provider who signed a declaration (PX0010) that Complaint Counsel submitted in support of their Motion, is not a reliable witness.

a.

[REDACTED]

[REDACTED]

b. [REDACTED]

[REDACTED]

c. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

d.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

e.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

f.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



g.

[REDACTED]

h.

[REDACTED]

i.

[REDACTED]

j.

[REDACTED]

k.

[REDACTED]

l.

[REDACTED]

98. **Christina Alvarez**, a service provider who signed a declaration that Complaint Counsel submitted in support of their motion for summary decision (PX0001), is not a credible witness. Ms. Alvarez [REDACTED]

[REDACTED]

a. Ms. Alvarez and her husband Israel Alvarez own Insight Pest Management, a pest control company focusing on termite control in California. PX0001 ¶ 1.

b. [REDACTED]

c. [REDACTED]

d. [REDACTED]

e. [REDACTED]

[REDACTED]

f.

[REDACTED]

g.

[REDACTED]

h.

[REDACTED]

[REDACTED]

i.

[REDACTED]

j.

[REDACTED]

k.

[REDACTED]

l.

[REDACTED]

m.

[REDACTED]

n.

[REDACTED]

o.

[REDACTED]

p.

[REDACTED]

q.

[REDACTED]

r.

[REDACTED]

s. [REDACTED]

t. [REDACTED]

u. [REDACTED]

v. [REDACTED]

w. [REDACTED]

x. [REDACTED]

**B. The Former Employee Declarants' Testimony Undermines Complaint Counsel's Motion and Raises Genuine and Material Fact Issues for Trial.**

99. **Jeffrey Hoppis**, a former HomeAdvisor sales representative who signed a declaration that Complaint Counsel submitted in support of their motion for summary decision (PX0013), is not a credible witness. And his declaration and testimony implicate disputed fact

issues that must be resolved by the Administrative Law Judge before any decision on the merits appropriately can be made.

a.

[REDACTED]

b.

[REDACTED]

c.

[REDACTED]



[REDACTED]

[REDACTED]

d. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

e. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

f.

[REDACTED]

g.

[REDACTED]

h.

[REDACTED]

i.

[REDACTED]

j.

[REDACTED]

k.

[REDACTED]

l.

[REDACTED]

[REDACTED]

m.

[REDACTED]

[REDACTED]

[REDACTED]

n.

[REDACTED]

[REDACTED]

[REDACTED]

o.

[REDACTED]

p.

[REDACTED]

[REDACTED]

q.

[REDACTED]

[REDACTED]

r.

[REDACTED]

s.

[REDACTED]

t.

[REDACTED]

[REDACTED]

[REDACTED]

u. [REDACTED]

[REDACTED]

100. **Christina Wilson**, a former HomeAdvisor employee (for one month in 2019) who signed a declaration that Complaint Counsel submitted in support of their motion for summary decision (PX0015), is not a credible witness. And her declaration and testimony implicate disputed fact issues that must be resolved by the Administrative Law Judge before any decision on the merits appropriately can be made.

a. [REDACTED]

[REDACTED]

b. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

c. [REDACTED]

[REDACTED]

[REDACTED]

d. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

e.

[REDACTED]

f.

[REDACTED]

[REDACTED]

g.

[REDACTED]



[REDACTED]

h. [REDACTED]

[REDACTED]

i. [REDACTED]

[REDACTED]

j. [REDACTED]

[REDACTED]

k. [REDACTED]

[REDACTED]

l. [REDACTED]

[REDACTED]

[REDACTED]

m.

[REDACTED]

n.

[REDACTED]

o.

[REDACTED]

p.

[REDACTED]

q.

[REDACTED]

r.

[REDACTED]

s.

[REDACTED]

t.

[REDACTED]

u.

[REDACTED]

v. [REDACTED]

[REDACTED]

101. **John Joseph Sack III**, a former HomeAdvisor employee who signed a declaration that Complaint Counsel submitted in support of their Motion (PX0014), is not a reliable witness.

Mr. Sack worked for HomeAdvisor [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

a. [REDACTED]

[REDACTED]

[REDACTED]

b. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

c.

[REDACTED]

d.

[REDACTED]

e.

[REDACTED]

[REDACTED]

f. [REDACTED]

g. [REDACTED]

h. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

**C. The Homeowner Declarant’s Testimony Undermines Complaint Counsel’s Motion and Raises Genuine and Material Fact Issues for Trial.**

102. **Joanna Sawicz**, a homeowner who signed a declaration that Complaint Counsel submitted in support of their Motion (PX0017), is not a credible declarant or witness. Her declaration and testimony also implicate disputed factual issues that must be resolved by the ALJ before any decision on the merits as a matter of law.

a. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

b. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

c. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

d.

[REDACTED]

[REDACTED]

e.

[REDACTED]

[REDACTED]



f.

[REDACTED]

g.

[REDACTED]

h.

[REDACTED]

[REDACTED]

i.

[REDACTED]

[REDACTED]

j.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

k.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

l.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

**D. The FTC Staff Declarants’ Testimony Undermines Complaint Counsel’s Motion and Raises Genuine and Material Fact Issues for Trial.**

103. **Connor Geiran**, an FTC data analyst who signed a declaration that Complaint Counsel submitted in support of their Motion (PX0020), is not a reliable witness. [REDACTED]

[REDACTED]

a. [REDACTED]

[REDACTED]

[REDACTED]

b.

[REDACTED]

c.

[REDACTED]

d.

[REDACTED]

e.

[REDACTED]

f.

[REDACTED]

[REDACTED]

g.

[REDACTED]

[REDACTED]

h.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

i. [REDACTED]

[REDACTED]



104. **Erik Winker**, a “paralegal specialist” at the FTC that Complaint Counsel submitted in support of their motion for summary decision (PX0022), is not a credible witness. His declaration and his testimony implicate disputed fact issues that must be resolved by the Administrative Law Judge before any decision on the merits appropriately can be made.

a. [REDACTED]

[REDACTED]

b. [REDACTED]

[REDACTED]

c. [REDACTED]

[REDACTED]

d. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

e. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

f. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

gg.

[REDACTED]

[REDACTED]

[REDACTED]

i.

[REDACTED]

[REDACTED]

[REDACTED]

ii.

[REDACTED]

[REDACTED]

iii.

[REDACTED]

iv.

[REDACTED]

v.

[REDACTED]

[REDACTED]

vi.

[REDACTED]

[REDACTED]

vii.

[REDACTED]

[REDACTED]

[REDACTED]

h.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

i. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

j. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

k. [REDACTED]

[REDACTED]

l. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

m. [REDACTED]

[REDACTED]

[REDACTED]

l. [REDACTED]

l. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

n. [REDACTED]

o. [REDACTED]

p.

[REDACTED]

q.

[REDACTED]

105. **Amy Brannon-Quale**, an FTC investigator on the HomeAdvisor matter who signed a declaration that Complaint Counsel submitted in support of their Motion (PX0019), is not a credible witness. And her declaration and testimony implicate disputed fact issues that must be resolved by the Administrative Law Judge before any decision on the merits appropriately can be made.

a.

[REDACTED]

b.

[REDACTED]

c.

[REDACTED]

d.

[REDACTED]

e.

[REDACTED]

**VI. THE SALES CALL RECORDINGS DO NOT DEMONSTRATE A WIDESPREAD PATTERN OR PRACTICE AND, AT A MINIMUM, RAISE GENUINE AND MATERIAL FACT ISSUES FOR TRIAL**

106. Dr. Kenneth Kelly selected a random sample of 100 recorded conversations from a possible 1,710 recorded conversations in the possession of the FTC using a program called STATA, a statistical analysis software package, which Complaint Counsel cite in their Motion for Summary Decision. *See* PX0021 ¶ 3.

107. Dr. Kelly has been an economist at the FTC for over 40 years. PX0021 ¶ 1 & Ex. A.

[REDACTED]

a. [REDACTED]

b. [REDACTED]

c. [REDACTED]

[REDACTED]

108. [REDACTED]

[REDACTED]

109. [REDACTED]

[REDACTED]

a. [REDACTED]

[REDACTED]

[REDACTED]

b. [REDACTED]

[REDACTED]



[REDACTED]

c.

[REDACTED]

d.

[REDACTED]

**VII. HOMEADVISOR'S QUALITY ASSURANCE OF SALES CALLS PROVIDES MATERIAL FACTUAL CONTEXT FOR TRIAL ABOUT HOMEADVISOR'S ALLEGED STATEMENTS**

110. HomeAdvisor maintains a robust quality assurance processes to ensure that sales representatives are not misrepresenting or misstating HomeAdvisor's services to prospective service providers—for example, HomeAdvisor regularly conducts [REDACTED]

[REDACTED]

[REDACTED] See **RX0098**.

111. [REDACTED]

[REDACTED]

[REDACTED] See **RX0098**; **RX0099** at 108:2–111:20.

[REDACTED]

[REDACTED] See **RX0099** at 108:2–111:20.

112. [REDACTED]

[REDACTED]

[REDACTED] See, e.g., **RX0100** (email dated [REDACTED]

[REDACTED]

[REDACTED]; **RX0099** at 23:8–24:6.

113. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **RX0098** (March 2020 email attaching Misconduct and Auto Fail QA Key); **RX0099** at 94:12–95:18. [REDACTED]

[REDACTED]

**VIII. THE SOPHISTICATION OF HOMEADVISOR’S SERVICE PROFESSIONALS PROVIDES MATERIAL FACTUAL CONTEXT FOR TRIAL ABOUT WHETHER HOMEADVISOR’S ALLEGED STATEMENTS WERE DECEPTIVE**

114. HomeAdvisor’s service providers operate in diverse home-services fields in markets all across the country. See **PX0001–PX0015**, **PX0137**.

115. HomeAdvisor service providers—including the Complaint Counsel’s declarants—are experienced contractors. *See, e.g.,* **RX0010** at 22:7–12 [REDACTED]

[REDACTED]

[REDACTED] **RX0007** at 64:13–23 [REDACTED]

[REDACTED]

[REDACTED] **RX0012** at 38:4–6 [REDACTED]

116. These sophisticated businesspeople most often own and operate their own business. *See, e.g.,* **RX0006** at 14:7–10 [REDACTED]

[REDACTED]

**RX0013** at 12:9–11 [REDACTED]

[REDACTED] **RX0012** at 21:9–10 [REDACTED]

[REDACTED] **RX0015** at 17:2–6 [REDACTED]

117. The sophisticated businesspeople who own and operate HomeAdvisor’s service professional members seek to engage with consumers and expand their outreach to potential customers through the purchase of leads. *See, e.g.*, **RX0006** at 45:15–20 [REDACTED]

[REDACTED]

[REDACTED] **RX0010** at 105:11–16 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **RX0012** at 80:3–9 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

**RX0015** at 107:2–3 [REDACTED]

[REDACTED]

118. Consistent with their business savvy and sophistication, HomeAdvisor’s service professional members— [REDACTED] [REDACTED] recognize that their own actions will directly affect whether they can convert any of their leads into paying work. *See, e.g.*, **RX0010** at 249:15–25 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **RX0013** at 120:12–13 [REDACTED]

[REDACTED] **RX0011** at 185:22–186:4 [REDACTED]

[REDACTED] **RX0012** at 69:22–25 [REDACTED]

[REDACTED] *id.* at  
196:3–17 [REDACTED]

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED] **RX0006** at

58:24–59:6 [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

**RX0015** at 114:4–13 [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

119. Yet Service providers’ sophistication does not provide any uniform understanding of what “quality” means when it comes to leads; rather, those views are based on each service provider’s own subjective understandings. *Compare, e.g.,* **RX0015** at 137:5–12 [REDACTED]

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED] *with* **RX0006** at 78:25–79:5 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

**IX. GENUINE AND MATERIAL FACT ISSUES EXIST FOR TRIAL AS TO WHETHER HOMEADVISOR MISREPRESENTED THE QUALITY OF ITS LEADS**

120. [REDACTED]

[REDACTED] leads are opportunities—*not* jobs—and that the service provider’s own efforts have a direct bearing on whether any of those lead opportunities will convert into paying work. *See, e.g.,* **RX0010** at 249:15–25 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

**RX0013** at 120:12–13 [REDACTED] **RX0011** at 185:22–186:4 [REDACTED] **RX0012** at 69:22–25 [REDACTED]

[REDACTED]

[REDACTED] *id.* at 196:3–17 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **RX0006** at 58:24–59:6 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **RX0015** at 114:4–13 [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

121. HomeAdvisor service providers are experienced contractors. *See, e.g.*, **RX0010** at 22:7–12 [REDACTED]

[REDACTED]  
[REDACTED] **RX0013** at 18:6–12 [REDACTED]  
[REDACTED] *id.* at 123:11–13 [REDACTED]

[REDACTED]  
[REDACTED] **RX0015** at 17:5–8 [REDACTED]  
[REDACTED] **RX0007** at 64:13–23 [REDACTED]

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED] **RX0012** at 38:4–6 [REDACTED]  
[REDACTED]

122. Most often, HomeAdvisor service provides own and operate their own businesses. *See, e.g.*, **RX0006** at 14:7–10 [REDACTED]

[REDACTED] **RX0010** at 18:13–16 [REDACTED]  
[REDACTED]  
[REDACTED] **RX0013** at 12:9–11 [REDACTED]

[REDACTED] **RX0011** at 16:2-6 [REDACTED]

[REDACTED] **RX0012** at 21:9-10 [REDACTED]

[REDACTED] **RX0015** at 17:2-6 [REDACTED]

[REDACTED]

[REDACTED]

123. HomeAdvisor service providers also typically seek to engage with potential customers through the purchase of leads. *See, e.g.,* **RX0006** at 45:15-20 [REDACTED]

[REDACTED]

[REDACTED] **RX0010** at 105:11-16

[REDACTED]

[REDACTED]

[REDACTED] **RX0012** at 80:3-9 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **RX0015** at 107:2-3 [REDACTED]

[REDACTED]

124. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] *See, e.g.,* **RX0015** at 104:22-105:1 [REDACTED]

[REDACTED]



[REDACTED] *id.* at 111:24–112:12 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **RX0006** at 55:3–5 [REDACTED]

[REDACTED]

[REDACTED] *id.* at 56:8–14 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **RX0010** at 102:4–23 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **RX0011** at 59:16–24 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **RX0012** at 94:3–6 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

125. [REDACTED]

[REDACTED]

[REDACTED] that not all leads will result in jobs given the numerous factors that bear on any sales interaction, including the service provider's own efforts to develop the lead. *See, e.g.,* **RX0007** at 154:8–155:6 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **RX0015** at 131:23–132:8 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **RX0010** at 151:19–152:23 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **RX0006** at 80:25–81:7 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

126. [REDACTED]

[REDACTED] *Compare,*

*e.g.,* **RX0015** at 137:5–12 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] *with* **RX0006** at 78:25–79:5 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

127. [REDACTED]

[REDACTED] *See, e.g.,*

**RX0006** at 59:7–11 [REDACTED]

[REDACTED]

[REDACTED] **RX0015** at 114:23–115:1 [REDACTED]

[REDACTED]

[REDACTED] **RX0007** at 107:1–9 [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

128. [REDACTED]  
[REDACTED]

[REDACTED] *See, e.g.,* **RX0010** at 116:21–119:7  
[REDACTED]

[REDACTED] *id.* at 117:22–25 [REDACTED]

[REDACTED]  
[REDACTED]  
[REDACTED]

[REDACTED] **PX0008** (mentioning no statements at all from HomeAdvisor sales representatives at enrollment); **PX0003** (mentioning no statements from HomeAdvisor sales representatives at enrollment about leads being “project ready,” “serious,” “qualified,” “ready to hire,” or “verified,” except that leads were from “potential customer[s] who had completed an online service request” and were “actively seeking a service provider for a job”).

129. When used properly, HomeAdvisor’s platform can be a boon for home-service professionals, as shown by the exemplary declarations of service providers submitted herewith. *See, e.g.,* **RX0065–RX0071**; *see also* **RX0084**.

**X. GENUINE AND MATERIAL FACT ISSUES EXIST FOR TRIAL AS TO COMPLAINT COUNSEL’S ALLEGATION THAT HOMEADVISOR BROADLY**

**MISREPRESENTED THE TASK TYPE AND GEOGRAPHIC LOCATION OF ITS LEADS**

130. HomeAdvisor “matches” service providers with interested homeowners based on the service provider’s *own* stated geographic and task preferences. **RX0116**; **RX0001** at 27, *citing* **RX0073** at 30:5–9; **RX0081** at 168:14–169:11; **RX0076** at 76:1–8; *see also* **RX0091** (“We use the availability, ZIP codes, and tasks you set for your business to send you matching leads.”); **RX0116** (“Simply choose the services you offer and the locations you serve, and we’ll match you with homeowners looking to start projects in those areas. We give you the tools you need to connect with homeowners and win the job.”).

131. HomeAdvisor then [REDACTED] based on those self-selected criteria and the information submitted by homeowners. Hidalgo Rpt. 26, *citing* **RX0076** at 24:12–22; **RX0064** at 68:15–69:6. *See also* **RX0086** at 80:16–81:2 [REDACTED]

132. The service provider’s geographic and task preferences are set during enrollment. **RX0116**; **PX0033-0013** [REDACTED]

[REDACTED] **RX0086** at 78:2–5 [REDACTED]

133. Thereafter, the service provider is in total control of its HomeAdvisor profile criteria, including online through its HomeAdvisor portal pages, and can change its task and geographic match settings at any time throughout the service provider’s membership. *See, e.g.,*

**RX0086** at 78:2–5 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **RX0117** (HomeAdvisor Pro Portal screenshots showing service providers’ ability to adjust their task and geographic match settings); *see also*, *e.g.*, **RX0076** at 24:15–22; **RX0010** at 188:6–22 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

**RX0015** at 53:7–15 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **RX0006** at 67:17–68:1 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

134. On the homeowner side, HomeAdvisor collects with each service request, at minimum, [REDACTED]

**RX0001** at 25, *citing* **RX0076** at 24:12–22. *See also* CC-SOF ¶ 3 [REDACTED]

135. When submitting a service request, homeowners answer a series of multiple-choice questions about their projects, where each subsequent question is generated based on the project category and the response to the prior question (and as such, the follow-up questions are task-dependent). **RX0001** at 27–43; *see also* CC-SOF ¶ 11 [REDACTED]

136. [REDACTED]

**RX0002** ¶ 7 &

Appendix A, Exhibit 5; **RX0118** at Interrog. 10.

137. [REDACTED]

*See, e.g.,* **RX0003** at 132:6–24 [REDACTED]

[REDACTED]

138. [REDACTED]

[REDACTED] **RX0001** at 27, *citing* **RX0073** at 30:5–9; Deposition of **RX0081** at 168:14–169:11; **RX0076** at 76:1–8. *See also* **RX0115** at 67:17–68:7 [REDACTED]

[REDACTED]

[REDACTED] CC-SOF ¶ 11 [REDACTED]

[REDACTED]

139. Service providers may incorrectly designate their tasks or geographic service areas, and homeowners may make errors when entering service request information that may, for various reasons, [REDACTED] *See, e.g., see supra* ¶ 102(h).

140. It is HomeAdvisor policy to grants credits to service providers that signed up within the past 30 days when a service provider provides task or geographic codes that it later determines were incorrect or ill-fitting. **RX0119** at ‘345 [REDACTED]



[REDACTED] This accounts for service provider user error that results in task or geographic codes being mis-calibrated or misunderstood at enrollment (*e.g.*, where the service provider inadvertently casts too wide a net). **RX0115** at 188:8–189:3 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **RX0097** at 81:20–82:20 (noting the same).

141. In addition, it is HomeAdvisor policy to grant credits to service providers at any point during enrollment if they receive a lead for a task or geographic area for which they are not profiled. *See, e.g.*, **RX0113** (HomeAdvisor’s credit guidelines provide that a lead may be eligible for a credit if it “is submitted with the wrong zip code and the correct zip code does not match a zip code you are profiled for” or if it “is submitted under the wrong job type and the correct job type is not in your profile”).

142. Multiple service provider declarations that Complaint Counsel submitted in support of the Motion omit any discussion of receiving leads for an incorrect task or location. *See, e.g.*, PX0002 (DeBenedetti identifies no leads received for an incorrect task or zip code); PX0004 (Hopkins identifies no leads received for an incorrect task or zip code); PX0007 (Rothermel identifies no leads received for an incorrect task or zip code).

143. [REDACTED]

[REDACTED] *See, e.g.*, **RX0015** at 58:15– 9 [REDACTED]

[REDACTED]

[REDACTED] **RX0006** at 102:25–103:3 [REDACTED]

[REDACTED]

[REDACTED]

**RX0018** at 54:11–19 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **RX0003** at 133:8–16 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

144. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

PX0004 ¶ 5 (emphasis added).

145. [REDACTED]

[REDACTED]

[REDACTED] See PX0001–PX0011; PX0137.

146. [REDACTED]

[REDACTED]

**RX0002** ¶ 13 & Appendix A, Exhibit 11; *see also* **RX0001** at 52, 65–66 [REDACTED]

[REDACTED] *citing,*

*inter alia*, **RX0076** at 24:12–22, 58:4–18; **RX0101** at 95:10–99:4, 223:10–230:8, 225:12–226:1;  
**RX0102** at 24:6–25.

147. [REDACTED]

[REDACTED] **RX0002** ¶ 14 & Appendix A, Exhibit 12. [REDACTED]

[REDACTED] **RX0002** ¶ 14 & Appendix A, Exhibit 12.

**XI. GENUINE AND MATERIAL FACT ISSUES EXIST FOR TRIAL AS TO COMPLAINT COUNSEL’S CONTENTION THAT HOMEADVISOR SYSTEMATICALLY MISREPRESENTED THE SOURCES OF ITS LEADS**

148. HomeAdvisor publicly advertises its affiliate program on its website. **RX0164**; **RX0092** (“Angi Leads receives requests from homeowners, consumers, property managers, individuals and other persons (‘customers’) expressing interest in certain services relating to home improvement, repair, maintenance and other types of tasks and projects (‘service requests’). These service requests from customers may be submitted directly or indirectly to Angi Leads by customers via the Angi Leads Website, the Angi Ads Website, telephone calls, *third party websites* or other means. In turn, Angi Leads may send you a communication about a customer’s service request that contains information about what service has been requested and the customer’s contact information (a ‘Lead’).” (emphasis added)); *see also, e.g.*, PX0008-0006–10 (letter from HomeAdvisor’s Vice President and Associate General Counsel noting that for affiliate partners such as “Jensen Brothers,” “Powell and Sons,” and “CARS Home Improvement Cents/Kenneth Wilson”—each listed in Jerald Sargent’s declaration—HomeAdvisor’s contracts obligate those affiliates “to mention HomeAdvisor on their websites, and HomeAdvisor requires all of its partners to be clear and transparent about the process that matches consumers to HomeAdvisor service professionals and their agreement to HomeAdvisor’s Terms of Service and Privacy Policy.”).

149. Affiliates, using a template provided by HomeAdvisor, must advise homeowners submitting service requests that those requests will be matched to service professionals through HomeAdvisor, the affiliates must provide the homeowners with a link to HomeAdvisor’s Privacy Policy and Terms & Conditions, and the affiliate websites must identify their association with HomeAdvisor explicitly. **RX0001** at 40; *see also, e.g.*, PX0008-0006–10 (letter from HomeAdvisor’s Vice President and Associate General Counsel noting HomeAdvisor’s contracts require affiliates “to mention HomeAdvisor on their websites, and HomeAdvisor requires all of its partners to be clear and transparent about the process that matches consumers to HomeAdvisor service professionals and their agreement to HomeAdvisor’s Terms of Service and Privacy Policy.”); *id.* at 0009–10 (noting that after Mr. Sargent raised an issue with certain affiliate websites, HomeAdvisor investigated and determined that one of them did not include the full text of the contractually required disclaimer language and therefore “demanded that it change the webpages to include the full disclaimer language on the landing page and to include HomeAdvisor in that language.”).

150. [REDACTED]

[REDACTED] *See also* PX0028 at 28:20–29:3 [REDACTED]

[REDACTED] PX0036-0008 [REDACTED]

151. HomeAdvisor service providers often do not consider when enrolling whether HomeAdvisor sources some of its leads from third-parties like affiliates. *See, e.g.*, **RX0015** at 124:19–125:7 [REDACTED]

[REDACTED] **RX0011** at 62:5–17 (similar); *see also* **RX0015** at 91:6 [REDACTED]

[REDACTED]

[REDACTED]

**XII. GENUINE AND MATERIAL FACT ISSUES EXIST FOR TRIAL AS TO COMPLAINT COUNSEL’S ASSERTION THAT HOMEADVISOR REGULARLY MISREPRESENTED “WIN RATES” FOR ITS LEADS**

152. [REDACTED]

[REDACTED]

[REDACTED] **RX0001** at 68–

74.

153. [REDACTED] whether a lead will be converted to a job depends greatly on the relative efforts of the SPs to whom the lead was directed. *See, e.g.,* **RX0001** at 90–91 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **RX0120** at ‘031.

154. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

155. [REDACTED]

[REDACTED]

[REDACTED] **RX0131** at 414:15-

415:9 [REDACTED]

[REDACTED] However, recognizing that the topic of the amount of leads that convert jobs may come up naturally over the course of thousands of sales calls in response to something raised by the prospective service provider, sales representatives [REDACTED]

[REDACTED] **RX0131** at 415:10-

20 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED];}

*id.* at 418:6–13 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

156. [REDACTED]

[REDACTED]

[REDACTED] **RX0122; RX0086** at 17:7–18:23 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **RX0124** at ‘771. [REDACTED]

[REDACTED]

[REDACTED] *See, e.g.,* **RX0125** (sales document dated April 13, 2018).

157. Instant Booking leads are a type of lead where the user books an appointment directly with a service provider by selecting an available date and time from a calendar on the HomeAdvisor website that shows the service provider’s availability. **RX0126.** [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **RX0127** (2014 Instant Booking homeowner survey); **RX0086** at 109:1–14.

[REDACTED]

[REDACTED]

[REDACTED] **RX0128** (2015–2020 Instant Booking homeowner data).

158. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **RX0129** at ‘967

(2016 sales training script); *see also e.g.,* **RX0130** [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

159. During an Investigational Hearing taken by Complaint Counsel, [REDACTED]

[REDACTED]  
[REDACTED]  
[REDACTED] **RX0131** at 322:9-12 [REDACTED]  
[REDACTED]  
[REDACTED]

160. During the investigation period, HomeAdvisor [REDACTED]

[REDACTED]  
[REDACTED]  
[REDACTED]

[REDACTED]

**RX0132** at Interrog. 1.

161. HomeAdvisor's quality assurance process ensures that its sales representatives are not misstating aspects of HomeAdvisor's service, which includes representations about win rates.



It has been long-standing policy that [REDACTED]

[REDACTED] PX0049-0002; **RX0099** at 70:14–19.

162. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **RX0099** at 89:6–90:2, 150:15–151:17. Thus, a sales representative who [REDACTED]

[REDACTED]

[REDACTED] *Id.*

163. [REDACTED]

[REDACTED]

[REDACTED] **RX0099** at 93:23–94:23; **RX0098** [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **RX0099** at 98:5–24.

164. [REDACTED]

[REDACTED] **RX0015** at 104:22–

105:1 [REDACTED]

[REDACTED]

[REDACTED] **RX0006** at 55:3–5 [REDACTED]

[REDACTED]

[REDACTED] **RX0010** at 102:4–23 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **RX0011** at 59:16–24 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **RX0012** 94:3–6 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

165. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] *See, e.g.,* **RX0015** at 111:24–112:12 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **RX0006** at 56:8–14 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

166. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] *See, e.g.,* **RX0007** at 154:8–155:6 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **RX0015** at 131:23–132:8 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **RX0010** at 151:19–152:23 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **RX0006** at 80:25–81:7 [REDACTED]

[REDACTED]

[REDACTED] **RX0003** at 21–23

[REDACTED]

[REDACTED] *see also, e.g.,* **RX0012** at 144–153;

**RX0011** at 89–96.

**XIII. GENUINE AND MATERIAL FACT ISSUES EXIST FOR TRIAL AS TO COMPLAINT COUNSEL’S CLAIM THAT HOMEADVISOR ROUTINELY MISREPRESENTED THAT ITS DISCONTINUED MHELPDESK PRODUCT WAS “FREE”**

167. [REDACTED]

[REDACTED] **RX0086** at 181:8–10.

168. [REDACTED]

**RX0133** (mHelpDesk data showing sales per month)).

169. [REDACTED]

[REDACTED] **RX0099** at 17–23 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **RX0086** at 124:4–21 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

170. [REDACTED]

[REDACTED]

[REDACTED] **RX0134** [REDACTED]

[REDACTED]

[REDACTED] *see also* **RX0125** at  
'876.

171. If service providers enrolled in the membership plan with mHelpDesk, the Voice Log would explicitly state: “Your membership includes mHelpDesk . . . . Your first month of mHelpDesk is included in your membership, and subsequent months will be billed at the exclusive HomeAdvisor member discounted price of 59 dollars and 99 cents per month.” **RX0090** (sample voice log with mHelpDesk dated June 26, 2017); **RX0095**, Ex. 2.

172. Only one out of the twelve service providers who submitted a declaration in support of the FTC’s motion, had even enrolled in the membership plan for \$347.98 membership plan that included the first month of mHelpDesk. **RX0095**, Ex. 2. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

See **RX0095** at Ex. 2 (Moser voice log). Of the remaining service providers who did not purchase a membership that included mHelpDesk, none discuss mHelpDesk in their declarations [REDACTED]

[REDACTED] See **RX0006**  
at 68:10–20 [REDACTED]

[REDACTED] **RX0011** at 72:15–22 (same); **RX0012** at 106:4–17 (same); **RX0015** at 130:6–23 (same).

173. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **RX0135** (QA cover email for sales calls cited at CC-SOF ¶ 115, PX0022-0444:21-24 and PX0022-1066:13-15, [REDACTED]

[REDACTED] **RX0136** (QA scorecard for sales call cited at CC-SOF ¶ 115 & Br. 25, PX-0022-1026:9-12, [REDACTED]

[REDACTED]

[REDACTED] **RX0137** (QA cover email for sales call cited at CC-SOF ¶ 115 & Br. 25, PX-0022-2016:5-13, [REDACTED]

[REDACTED]

[REDACTED] **RX0138** (QA scorecard for same sales call); **RX0139** (QA scorecard for sales call cited at CC-SOF, ¶ 115,

PX022-2105:24 to -2106:1, [REDACTED]

[REDACTED]

[REDACTED] **RX0140** (QA cover  
email for sales call cited at CC-SOF ¶ 115, PX0022-2841:22-24, [REDACTED]

[REDACTED] **RX0141** (QA  
scorecard for same sales call).

**XIV. THE FTC LACKS JURISDICTION OVER CANADIAN TRANSACTIONS,  
WHICH COMPLAINT COUNSEL’S MOTION DOES NOT EXCISE**

174. Complaint Counsel’s claims reach service providers located in Canada and leads concerning work to be done in Canada, over which the Commission lacks jurisdiction. *See, e.g.,* PX0020 ¶ 10 (noting that HomeAdvisor has service providers who are based in Canadian provinces); *see also* 45 U.S.C. § 45(a)(3), (4)(A).

**XV. GENUINE AND MATERIAL FACT ISSUES EXIST FOR TRIAL AS TO  
HOMEADVISOR’S AFFIRMATIVE DEFENSES, INCLUDING COMPLAINT  
COUNSEL’S AFFIRMATIVE MISCONDUCT**

175. [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED] *See* **RX0142**.

176. [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED] *See, e.g.,* **RX0143** [REDACTED]  
[REDACTED]

[REDACTED]

[REDACTED]

177. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **RX0144** (emphasis

added).

178. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **RX0145** (emphasis added).

179. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **RX0146** (emphasis added).



180. [REDACTED]

[REDACTED]

[REDACTED] **RX0147.**

181. [REDACTED]

[REDACTED]

[REDACTED] *Compare* **RX0148** [REDACTED]

[REDACTED]

[REDACTED], *with* **RX0149** [REDACTED]

[REDACTED] *see*

also **RX0162** [REDACTED]

[REDACTED]

182. Because many of these discussions took place over the phone or by Zoom and thus were not recorded, [REDACTED]

[REDACTED]

[REDACTED] *See, e.g.,* **RX0143** [REDACTED]

[REDACTED]

[REDACTED]

***PART TWO: RESPONDENT'S RESPONSES TO COMPLAINT COUNSEL'S STATEMENT OF PURPORTEDLY UNDISPUTED FACTS***

1. The Federal Trade Commission (FTC) is an independent agency of the United States Government created by the FTC Act, 15 U.S.C. §§ 41-58. The FTC enforces Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), which prohibits unfair or deceptive acts or practices in or affecting commerce.

**RESPONSE TO ¶ 1:** Undisputed.

2.



PX0059-0002; *see infra* ¶ 25.

**RESPONSE TO ¶ 2:** Undisputed.

3.



PX0044-0004 to -0005.

**RESPONSE TO ¶ 3:** Disputed in Part.

Respondent does not dispute that it collects information about potential customers—not guaranteed customers—in the form of service requests. Respondent disputes Complaint Counsel's assertions to the extent that they omit (or elide deliberately) material facts about the operations of HomeAdvisor's business that are set forth in detail in Respondent's statement of facts, including: (i) that service requests that HomeAdvisor receives, including those received from third parties like affiliates, are gathered through comprehensive online submission forms (or over the phone); (ii)



and (iii) that service requests are matched to service providers based on the tasks and geographic service areas service providers themselves select. HA-SOF ¶¶ 14–15, 30–44, 48–61; PX0034-0038 to -0043; PX0028 (HomeAdvisor/Smith Dep. 75:3–10).

4.



PX0028 (HomeAdvisor/Smith Dep. 23:7-12, 26:14-19, 28:25-29:3); PX0034-0013.

**RESPONSE TO ¶ 4:** Disputed in Part.

Respondent disputes Complaint Counsel's characterization of PX0028. The cited portion of PX0028 at 26:14–19 states that

[REDACTED]

HA-SOF ¶¶ 30–44, 48–61. Respondent also reiterates its response to Complaint Counsel's CC-SOF ¶ 3. PX0028 (HomeAdvisor/Smith Dep. 21:6–12); PX0034-0011

[REDACTED]

RX0150

5.

[REDACTED]

PX0033-0013 to -0015;  
PX0028 (HomeAdvisor/Smith Dep. 46:4-22, 47:12-22, 49:3-50:7, 51:15-19).

**RESPONSE TO ¶ 5:** Disputed in Part.

Respondent disputes that it “generates leads from its websites,” because HomeAdvisor generates “service requests” from consumer information collected through phone calls, *see, e.g.*, RX0097 at 29:4–13.

[REDACTED]

Respondent disputes Complaint Counsel's characterization of PX0033 and PX0028. The cited portions of PX0033 and PX0028 do not describe in full the process by which “HomeAdvisor generates leads from its websites.” Instead, PX0033 and PX0028 explain certain formatting and content requirements for HomeAdvisor-generated “service requests.”

[REDACTED]

[REDACTED] material facts that are omitted here but are set out in detail in Respondent's statement of facts. HA-SOF ¶¶ 30–44, 48–61; PX0033-0013 to -0015; PX0028 (HomeAdvisor/Smith Dep. 47:12–22). Respondent reiterates its response to Complaint Counsel's CC-SOF ¶ 3.

6.

[REDACTED] PX0034-0038.  
[REDACTED] PX0034-0047.  
[REDACTED] PX0034-0038 to -0041.

**RESPONSE TO ¶ 6:** Disputed in Part.

Respondent disputes that HomeAdvisor's

[REDACTED] HA-SOF ¶¶ 48-61.  
[REDACTED] HA-SOF ¶¶ 48-61; PX0034-0038.  
[REDACTED] RX152; PX0034-0041 to -0043; HA-SOF ¶ 55.  
[REDACTED] X0034-0042; HA-SOF ¶ 55.  
[REDACTED] HA-SOF ¶¶ 54,  
56-59.  
[REDACTED] HA-SOF ¶ 60.

7.

[REDACTED] PX0036-0008 to -0009;  
PX0028 (HomeAdvisor/Smith Dep. 64:12-66:2); PX0054-0070 [REDACTED]

**RESPONSE TO ¶ 7:** Disputed in Part.

Respondent admits that HomeAdvisor's witness testified that the potential customer's answers to questions referenced in CC-SOF ¶ 7 may not be determinative of whether a service request becomes a lead. PX0028 (HomeAdvisor/Smith Dep. 64:12-66:2). Respondent disputes Complaint Counsel's assertions to the extent that they omit that HomeAdvisor implements

[REDACTED]

PX0036-0009; HA-SOF ¶¶ 14-15, 30-44, 48-61.

For the same reason, [REDACTED]

[REDACTED]

8.

[REDACTED]

PX0028

(HomeAdvisor/Smith Dep. 75:17-76:22). [REDACTED]

PX0028 (HomeAdvisor/ Smith Dep. 76:23-77:5, 81:9-82:17).

**RESPONSE TO ¶ 8:** Disputed in Part.

Respondent disputes Complaint Counsel's characterization of PX0028. The cited portion of PX0028 at 75:17-76:22 states, [REDACTED] PX0028 (HomeAdvisor/Smith Dep. 75:25-76:1). It does not state that [REDACTED]

[REDACTED] While Respondent admits that HomeAdvisor's corporate witness testified that [REDACTED]

[REDACTED] PX0028 (HomeAdvisor/Smith Dep. 76:23-77:5), HomeAdvisor's [REDACTED]

[REDACTED] See HA-SOF

¶¶ 14-15, 40-44, 48-61.

9. [REDACTED]

[REDACTED] X0028 (HomeAdvisor/Smith Dep. 84:2-6, 86:6-88:1, 89:22-90:3); PX0035.

**RESPONSE TO ¶ 9:** Disputed in Part.

Respondent admits that HomeAdvisor's witness testified that a [REDACTED]

[REDACTED] Response to CC-SOF ¶ 6; HA-SOF ¶¶ 48-

61.

10. [REDACTED]

[REDACTED] PX0044-0007 to -0008.

[REDACTED] PX0028 (HomeAdvisor/Smith Dep.

63:6-12).

**RESPONSE TO ¶ 10:** Undisputed that HomeAdvisor sells several types of leads, including Market Match, Exact Match, and Instant Booking Leads. Undisputed that HomeAdvisor's witness testified that as of [REDACTED]

[REDACTED] PX0028 (HomeAdvisor/Smith Dep. 63:6-12).

11. [REDACTED] PX0044-0007; PX0028 (HomeAdvisor/Smith Dep. 44:4-45:17).

**RESPONSE TO ¶ 11:** Disputed in part.

Respondent disputes this paragraph insofar as it omits all the [REDACTED] that HomeAdvisor applies to service requests before potentially selling them as Market Match leads, as set forth in detail in Respondent’s statement of facts. *See* Response to CC-SOF ¶ 3 (citing HA-SOF ¶¶ 14–15, 30–44, 48–61). Respondent disputes this paragraph insofar as it omits any description of the “information” HomeAdvisor obtains from potential customers, which includes their location, a description of the particular task, and contact information. HA-SOF ¶¶ 28–47; PX0044-0007. Respondent further disputes that [REDACTED] insofar as it omits that HomeAdvisor’s lead matching is based in part on the tasks and geographic criteria selected by the service provider itself. HA-SOF ¶¶ 14–15, 40–44.

12. [REDACTED] PX0044-0008.

**RESPONSE TO ¶ 12:** Disputed in part.

Respondent disputes this paragraph insofar as it omits all the [REDACTED] that HomeAdvisor applies to service requests before potentially selling them as leads, as set forth in detail in Respondent’s statement of facts. *See* Response to CC-SOF ¶ 3 (citing HA-SOF ¶¶ 14–15, 30–44, 48–61). Respondent admits this paragraph to the extent that exact match leads allow homeowners to view a directory of HomeAdvisor service providers, and submit their service request lead directly to one or more service provider of their choice. PX0044-0008; HA-SOF ¶¶ 45–46.

13. [REDACTED] PX0044-0008.

**RESPONSE TO ¶ 13:** Disputed in part.

Respondent disputes this paragraph insofar as it omits all the [REDACTED] that HomeAdvisor applies to service requests before potentially selling them as leads, as set forth in detail in Respondent’s statement of facts. *See* Response to CC-SOF ¶ 3 (citing HA-SOF ¶¶ 14–15, 30–44, 48–61). Respondent admits this paragraph to the extent that Instant Booking leads are generated when the homeowner books an appointment with a specific service provider on a



specific date and time based on the service provider's availability calendar posted on the HomeAdvisor website, which the service provider must then confirm, and that service providers have the option of posting a calendar on the HomeAdvisor website that provides their booking availability for particular days and times. PX0044-0008; PX0034-0048.

14. [REDACTED] X0044-0005; PX0034-0048; PX0028  
(HomeAdvisor/ Smith Dep. 59:5-61:3).

**RESPONSE TO ¶ 14:** Disputed in part.

Respondent disputes this paragraph as HomeAdvisor may provide free leads to service providers, *see, e.g.*, PX0001-0007, and to the extent that, for Instant Booking leads, a service provider is obligated to pay at the point the homeowner confirms a booked appointment with the service provider based on the service provider's availability calendar posted on the HomeAdvisor website. PX0034-0048; RX0092 & RX0153 (HomeAdvisor Terms and Conditions) at -027.

15. [REDACTED] PX0028 (HomeAdvisor/Smith Dep. 100:23-101:2); PX0044-0007.

**RESPONSE TO ¶ 15:** Disputed in Part.

Respondent disputes Complaint Counsel's characterization of the cited evidence. The cited evidence does not indicate that the price of a lead ranges from [REDACTED]

*See* PX0028 (HomeAdvisor/Smith Dep. 100:23-101:2)

[REDACTED] PX0044-0007 (stating only that,

[REDACTED] Respondent admits that, relative to Market Match leads, Exact Match and Instant Booking leads can cost approximately 50% more (assuming that the lead otherwise has the same task type and geography).

16. [REDACTED] PX0034-0027.

**RESPONSE TO ¶ 16:** Disputed in Part.

Respondent disputes Complaint Counsel's characterization of the cited evidence, which concerns only the time period of July 2014 through September 2019. PX0034-0027. Nevertheless, Respondent does not dispute that, during the time period at issue in this litigation, HomeAdvisor's average lead fee across all lead types, tasks, and locations [REDACTED] *See* RX0001 at 128.

17. [REDACTED]  
PX0044-0005.

**RESPONSE TO ¶ 17:** Disputed in Part.

Respondent in fact offers several different types of memberships, some of which cost \$287.99, depending on whether the service provider chooses to receive certain optional services. *See* PX0029 (HomeAdvisor/Bergner Dep. 125:16–23); PX0044-0005 to -0006 [REDACTED]

18. [REDACTED]  
PX0033-0005.

**RESPONSE TO ¶ 18:** Undisputed.

19. [REDACTED] X0044-0006,  
[REDACTED] PX0051  
; PX0052 (same); PX0132 (same); PX0071-0004 [REDACTED]

**RESPONSE TO ¶ 19:** Disputed.

HomeAdvisor markets all of the aspects of its membership to potential service providers, including a profile page and inclusion in the online directory, and these features [REDACTED] even more so than the leads a service provider can receive through HomeAdvisor. *E.g.*, RX0010 at 106:2–11; *id.* at 92:17–95:24 [REDACTED]

20. [REDACTED] PX0044-0005 to -0006;  
PX0036-0018 to -0019; PX0029 (HomeAdvisor/Bergner Dep. 158:23-159:4).

**RESPONSE TO ¶ 20:** Disputed.

Respondent disputes that HomeAdvisor [REDACTED] As an initial matter, on or about [REDACTED] PX0036-0018 to -0019. Further, the cited evidence indicates that during the time period mHelpDesk was offered to prospective service providers, it was possible for service providers to purchase a HomeAdvisor membership that did *not* include a one-month

subscription to mHelpDesk. PX0029 (HomeAdvisor/Bergner Dep. 125:16–23); PX0044-0005 to -0006

As set forth in detail in Respondent’s statement of facts,

HA-SOF ¶ 168. Only one out of the 12 service provider declarants that Complaint Counsel relies upon purchased the membership option that included mHelpDesk. See HA-SOF ¶ 9. None of the cited evidence shows that HomeAdvisor

See HA-SOF ¶ 168.

21.

PX0034-0005.

**RESPONSE TO ¶ 21:** Disputed in Part.

Respondent disputes Complaint Counsel’s characterization of the cited evidence. With respect to the service providers that chose to purchase a membership that included mHelpDesk, they were billed monthly for mHelpDesk unless service providers cancelled their subscription to mHelpDesk after the first included month. PX0044-0014–15. However, during the time period when mHelpDesk was offered to service providers electing to join HomeAdvisor’s network, service providers were able to opt out of, or never to enroll in the first place in, mHelpDesk at the time of purchase of their membership. *Id.* Respondent disputes this paragraph insofar as it omits that as of to prospective service providers, as set forth in detail in Respondent’s statement of facts. HA-SOF ¶ 167. Respondent furthermore reiterates its response to CC-SOF ¶ 20.

22.

PX0023-0005 to -0006.

**RESPONSE TO ¶ 22:** Disputed in part.

Respondent disputes this paragraph insofar as it omits that as of to prospective service providers. See Respondent’s Response to CC-SOF ¶ 20; HA-SOF ¶ 167.

23.

PX0044-0005 to -0006; PX0029 (HomeAdvisor/Bergner Dep. 125:16-23).

**RESPONSE TO ¶ 23:** Disputed in part.

Respondent disputes this paragraph insofar as it omits that as of to prospective service providers. See Respondent’s Response to CC-SOF ¶ 20; HA-SOF ¶ 167. Respondent also disputes this paragraph because it does not acknowledge that HomeAdvisor has sold various membership types throughout the time

period at issue, such as monthly and quarterly memberships and specialty membership types, such as Elite 360, the Win Fee program, and the Unlimited Program. See RX0154 at Interrog. 3 (describing Elite 360, Win Fee program, and Unlimited Program).

24. HomeAdvisor advertises its products on its websites, including [homeadvisor.com](http://homeadvisor.com) and [pro.homeadvisor.com](http://pro.homeadvisor.com), [REDACTED] PX0029 (Bergner Dep. 192:22-193:6, 194:13-20, 196:14-17, 197:15-17, 198:10-17); PX0018-0005 to -0092 ([pro.homeadvisor.com](http://pro.homeadvisor.com), [homeadvisor.com](http://homeadvisor.com)); PX0019-0009 to -0016, -0047 to -0051 (same).

**RESPONSE TO ¶ 24:** Undisputed.

25. In 2021, HomeAdvisor began to rebrand itself as HomeAdvisor Powered by Angi, and its products for service providers as Angi Leads. PX0019-0009 (identifying itself as “HomeAdvisor Powered by Angi” and stating, “HomeAdvisor Pro is now Angi Leads”), -0018 (as of at least September 9, 2021, terms and conditions begin “Welcome to HomeAdvisor d/b/a Angi Leads!”), -0053 (“As a part of today’s news, HomeAdvisor will become *HomeAdvisor, powered by Angi.*”) (emphasis in original).

**RESPONSE TO ¶ 25:** Undisputed.

26. [REDACTED] PX0033-0005.

**RESPONSE TO ¶ 26:** Undisputed.

27. HomeAdvisor employs [REDACTED] sales agents, PX0030 (HomeAdvisor/Schott Dep. 126:2-7); PX0087-0104, who call service providers and attempt to persuade them to purchase a HomeAdvisor membership, PX0105-0007; PX0013 at ¶ 1; PX0014 at ¶ 2.

**RESPONSE TO ¶ 27:** Disputed in Part.

Respondent disputes Complaint Counsel’s characterization of the cited evidence. HomeAdvisor’s corporate witness testified on November 24, 2020 that, at the time, HomeAdvisor had [REDACTED] PX0030 (HomeAdvisor/Schott Dep. 126:2-7). The cited portion of PX0105-0007 furthermore states in general terms, [REDACTED]

[REDACTED] PX0105-0007. Respondent disputes Complaint Counsel’s assertions to the extent they purport to describe the sole purpose, motivation, or goal of HomeAdvisor’s sales agents, or the ways in which sales agents go about performing their jobs, which necessarily vary agent to agent, service provider to service provider, and outreach to outreach. The cited portions of PX0013 at ¶ 1 and PX0014 at ¶ 2 merely state that the declarants’ responsibilities at HomeAdvisor involved calling service providers and trying to sell HomeAdvisor’s products. PX0013 at ¶ 1 (“My primary responsibility at HomeAdvisor was to call home services professionals (‘HSPs’) and try to sell them memberships to HomeAdvisor’s lead service platform.”); PX0014 at ¶ 2 (“I called home services professionals (‘HSPs’) and tried to sell

them HomeAdvisor’s lead service.”). Nor, of course, do any of these declarants state that their experiences represent those of all sales agents of HomeAdvisor. *See, e.g., id.* (both sources). HomeAdvisor thus disputes that these declarations are in any way exemplary. HomeAdvisor further disputes this paragraph because it does not acknowledge the variable nature of each sales interaction, including the fact that HomeAdvisor representatives do not read off of pre-prepared remarks or “scripts”, as set forth in detail in Respondent’s statement of facts. HA-SOF ¶¶ 12–13.

28. HomeAdvisor’s sales agents also take inbound calls from service providers interested in HomeAdvisor’s products. PX0013 at ¶ 5.

**RESPONSE TO ¶ 28:** Respondent does not dispute this paragraph, provided that the ways in which sales agents go about performing their jobs necessarily vary agent to agent, service provider to service provider, and outreach to outreach. Respondent reiterates its responses to CC-SOF ¶ 27; HA-SOF ¶¶ 12–13.

29. [REDACTED] PX0105-0020 to -0021; PX0036-0031 to -0032.

**RESPONSE TO ¶ 29:** Disputed in Part.

Respondent disputes Complaint Counsel’s characterization of the cited evidence. The cited evidence indicates that sales agents [REDACTED]

[REDACTED] PX0105-0020 (explaining that sales consultants have the opportunity to [REDACTED] *id.* at -0021 [REDACTED] [REDACTED] *see also* RX0155 (2015 Sales Consultant Compensation Plan); PX0036-0031 to -0032.

30. [REDACTED] PX0029 (HomeAdvisor/Bergner Dep. 69:15-70:11 {(discussing Exhibit 19),} 160:10-16); PX0051.

**RESPONSE TO ¶ 30:** Disputed.

HomeAdvisor disputes this paragraph insofar as it indicates that sales representatives are required to use “scripts” as “a guide for sales calls,” as set forth in detail in Respondent’s statement of facts. HA-SOF ¶¶ 12–13. [REDACTED]

[REDACTED] HA-SOF ¶¶ 12–13; *see, e.g.,* RX0017 at 85:2-5; RX0083 at 27:21–25 [REDACTED] *d.* at 66:10–16 [REDACTED]

RX0085 at 53:16–20

RX0086 at 160:14–16

RX0017 at 81:10-12. To the extent sales representatives are

RX0017 at 78-79; 83:11-16.

Rather, each sales call is unique, as the needs, questions, circumstances, and markets of each service provider inherently differ, as set forth in detail in Respondent’s statement of facts. HA-SOF ¶¶ 12–13; *see also* RX0010 at 110–11

*id.* at 116–19

RX0017 at 90-92

31.

PX0050.

**RESPONSE TO ¶ 31:** Disputed in part.

Respondent disputes this paragraph insofar as it asserts that HomeAdvisor sales agents must or even do use any (let alone all) marketing claims in any given sales call, or that all sales representatives were in fact provided

Respondent reiterates its response to CC-SOF ¶ 30. *See also* HA-SOF ¶¶ 12–13.

32.

PX0033-0013; PX0078-0003 to -0004, -0006 to -0007, -0014, -0018, -0022, -0026, -0030, -0034, -0037, -0041

; PX0029 (HomeAdvisor/Bergner Dep. 77:23-78:5).

**RESPONSE TO ¶ 32:** Disputed in Part.

Respondent disputes Complaint Counsel's characterization of the cited evidence. Complaint Counsel omits that the tasks and geographic service area are selected by the service provider during his or her enrollment call and that the profile remains under the control of the service provider at all times throughout his or her membership with HomeAdvisor, meaning he or she retains the ability to adjust the profile at any time during membership, as set forth in detail in Respondent's statement of facts. HA-SOF ¶¶ 14–15; PX0033-0013

PX0029 (HomeAdvisor/Bergner Dep. 78:2–7)

RX0010 at 188:6–22

RX0015 at 53:7–15

RX0006 at 67:17–68:1

The cited portions of PX0078 do not indicate otherwise; rather, voice log recordings remind the prospective service providers that “Membership allows consumers to view your profile and ratings and contact you directly. Homeowners have told us that ratings make a significant impact in their hiring decision. Make sure to add ratings and other content to your profile to increase your chances for success.” PX0078-0014, -0018, -0022, -0026, -0030, -0034, -0037, -0041; *see also* PX0033-0020

HA-SOF ¶¶ 1–11 (citing, *inter alia*, RX0095 and the exhibits thereto). Once a service provider's membership with HomeAdvisor is approved, service providers are again encouraged to “[p]ersonalize your profile to make the right first impression with customers,” which they may do

at any time using their Pro Portal account or by calling a HomeAdvisor customer-care representative. PX0078-0027 and -0035; HA-SOF ¶¶ 14–15, 45–46.

Respondent also disputes that service providers may select the “types of work they perform” from only “a finite list of available options.” HomeAdvisor has maintained [REDACTED] [REDACTED] RX0002 ¶ 7 & Appendix A, Exhibit 5.

33. [REDACTED] [REDACTED] PX0034-0006.

**RESPONSE TO ¶ 33:** Disputed.

Respondent disputes Complaint Counsel’s assertions. Broadly, the spend target provides a general, [REDACTED] [REDACTED] PX0034-0007. [REDACTED] [REDACTED]

While Respondent admits that upon initial enrollment to the HomeAdvisor network, the service provider may be asked to designate spend targets of \$250 or more for Market Match and \$200 or more for Exact Match Leads (resulting in a \$450 minimum overall spend target), at the request of a service provider, a sales or customer care manager is empowered to override these spend target thresholds to set lower thresholds. PX0034-0006; *see also* PX0036-0004 [REDACTED]

[REDACTED] The spend target merely indicates the amount that the service provide would like to pay for Market Match and Exact Match leads in a 28-day period. RX0096. After enrollment, the service provide has the option to adjust the overall spend target down via various means, including the HomeAdvisor mobile application, the HomeAdvisor Pro Portal, or by contacting the HomeAdvisor customer care team. PX0034-0006.

34. [REDACTED] [REDACTED] PX0034-0049; PX0085-0001.

**RESPONSE TO ¶ 34:** Disputed in Part.

Respondent disputes Complaint Counsel’s characterization of the cited evidence. The cited evidence [REDACTED]



[REDACTED] The cited evidence does not support Complaint Counsel's contention that "HomeAdvisor tries to sell service providers enough leads each month to exhaust their spend target." Instead, the cited evidence shows that [REDACTED]

[REDACTED] PX0034-0049; PX0085-0001. As such, the [REDACTED] PX0034-0049. Moreover, HomeAdvisor allows a service provider to "pause" incoming leads, thus affording the service providers a significant degree of control over the amount, frequency, cost and types of leads received. PX0034-0050 to -0055; *see also, e.g.*, RX0015 at 34:3-5; RX0012 at 158:23-160:10; RX0018 at 109:4-111:8. Finally, this paragraph omits that if HomeAdvisor does not have enough leads to sell in a given market at a given time, then it is inherently impossible for HomeAdvisor to "sell service providers enough leads each month to exhaust their spend target."

35. [REDACTED] X0020 at ¶¶ 23-24.

**RESPONSE TO ¶ 35:** Disputed.

Complaint Counsel's calculation is based on assumptions and other inputs that render the resulting figure incorrect. Among other things, this computation: (1) uses July 1, 2014 as the start date, even though the FTC has defined the relevant period in its discovery requests as starting July 31, 2014 and the CID to HomeAdvisor was dated July 10, 2019, *compare, e.g.*, RX0005 at 100:12-16, 136:16-138:19, *with* RX0184 at 2-3 (specifying relevant time period "from July 31, 2014 to the present"); RX0185 at 2 (same relevant time period), *and* RX0047 at § II (same relevant start date); (2) improperly includes memberships that were fully refunded, RX0005 at 150:4-7 [REDACTED] and (3) wrongly fails to exclude service providers that do cross-border work in Canada and so those leads are beyond the FTC's jurisdiction, *see* PX0020-0005 (limiting data set by service provider's home state, rather than where the homeowner leads lived); RX0005 at 151:16-20 [REDACTED]

36. [REDACTED] PX0087-0111.

**RESPONSE TO ¶ 36:** Disputed.

Respondent disputes Complaint Counsel's characterization of the cited evidence. Complaint Counsel are characterizing a document that speaks for itself, including that the businesses Complaint Counsel characterize as [REDACTED]

[REDACTED] PX0087-0111. Moreover, the cited document merely describes HomeAdvisor's service providers at a single point in time, and does not attempt to describe HomeAdvisor's service providers throughout

the relevant time period at issue. *See id.* In fact, other evidence shows that service provider members for lead-generation companies like HomeAdvisor are a [REDACTED] [REDACTED] See RX0156 at '196.

37. [REDACTED] PX0055-0046 to -0047; PX0026-0007 to -0008  
PX0136; PX0027-0004 [REDACTED]

**RESPONSE TO ¶ 37:** Disputed in Part.

Respondent does not dispute that PX0055-0046 to -0047 indicate that between July 2014 and September 2020, [REDACTED] but Respondent disputes this paragraph to the extent it suggests that the leads provided to service providers prior to August 6, 2016 are relevant to the present dispute even though they would fall outside of the three-year statute of limitations under Section 19 of the FTC Act, 15 U.S.C. § 57b(d). Respondent disputes that such leads [REDACTED] It appears that Complaint Counsel computed [REDACTED] CC-SOF ¶ 37 n.11. This calculation is flawed for a number of reasons, including because during the same time period, [REDACTED] [REDACTED] X0136-0002 to -0012.

38. [REDACTED] PX0034-0055 to -0056.

**RESPONSE TO ¶ 38:** Undisputed.

39. [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] PX0028  
(HomeAdvisor/Smith Dep. 109:10-23).

**RESPONSE TO ¶ 39:** Disputed in Part.

Respondent disputes Complaint Counsel's characterization of the term "refund," which it apparently uses to erroneously exclude credits that HomeAdvisor routinely grants to its service providers. As set forth in detail in Respondent's statement of facts, HomeAdvisor maintains a credit policy memorialized in its publicly-available Lead Credit Guidelines, which specify various situations eligible for lead credits and also states that HomeAdvisor may provide discretionary credits at its discretion even for reasons that fall outside the guidelines. RX0113 & RX0114; *see also* RX0097 at 61:8-14; HA-SOF ¶¶ 71-73.

As set forth in detail in Respondent's statement of facts, there are no caps or limitations on the number of credits a service provider can receive under the Lead Credit Guidelines. HA-SOF ¶ 72; RX0097 at 63:16-64:2. HomeAdvisor also maintains an [REDACTED] [REDACTED] no matter the reason selected or the merit of the credit request. HA-SOF ¶ 72; *see, e.g.*, RX0097 at 185:11-186:23; RX0073 at 66:16-67:19;

RX0064 at 125:10–125:23, 139:10–143:23, 149:22– 150:17. HomeAdvisor [REDACTED]  
[REDACTED] HA-SOF ¶ 66;  
RX0002 ¶ 3 & Appendix A, Exhibit I.

Moreover, Respondent disputes this paragraph because HomeAdvisor has in fact provided refunds for fees incurred by service providers in connection with HomeAdvisor’s service, including lead fees. *Compare* RX0159, with PX0034-0030 [REDACTED]  
[REDACTED]

40. [REDACTED]  
[REDACTED] PX0028 (HomeAdvisor/Smith Dep. 108:5-19).

**RESPONSE TO ¶ 40:** Disputed.

Respondent disputes Complaint Counsel’s vague hypothetical. Complaint Counsel fails to identify the reason for which the service provider is dissatisfied. Nor does the cited portion of PX0028 at 108:5-19 identify the reason for which the service provider is dissatisfied or the reason for which the service provider submitted a lead credit request. PX0028 (HomeAdvisor/Smith Dep. 108:5–19). Respondent further disputes Complaint Counsel’s use of the undefined term “recourse” insofar as it is intended to mean or connotes anything other than “means to express dissatisfaction.” Finally, assuming the service provider’s dissatisfaction arises from conditions that HomeAdvisor agrees merit redress, Complaint Counsel ignores the other avenues that the service provider could use to express dissatisfaction (*e.g.*, calling to complain is helpful for customer service, etc.), as set forth in detail in Respondent’s statement of facts. *See* HA-SOF ¶¶ 16–17.

41. [REDACTED] PX0028 (HomeAdvisor/Smith Dep.  
137:13-16).

**RESPONSE TO ¶ 41:** Disputed in Part.

Respondent disputes Complaint Counsel’s characterization of the cited evidence. The cited portion of PX0028 shows that HomeAdvisor’s corporate witness answered, [REDACTED]  
[REDACTED] PX0028 (HomeAdvisor/Smith Dep. 137:13–16). The cited evidence does not state that to submit a lead credit request, the service provider “must indicate the reason the service provider thinks a credit is appropriate.” When a service provider requests a lead credit on the HomeAdvisor mobile app or the HomeAdvisor pro website, the service provider can classify the credit request as based on one of several types of reasons. PX0036-0010 to -0012. Additionally, a service provider may call in to HomeAdvisor’s business customer care inbound team, requesting that a credit ticket request be initiated; [REDACTED]



[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

PX0037; PX0028 (HomeAdvisor/Smith Dep. 151:18-153:18 [REDACTED]).

**RESPONSE TO ¶ 42:** Disputed in Part.

Respondent admits that PX0037 shows there [REDACTED] RX0158 (discussing PX0037 and clarifying Mr. Smith's testimony regarding the data represented in PX0037). Respondent disputes Complaint Counsel's allegations to the extent they suggest that, [REDACTED].

[REDACTED]

43 [REDACTED]

**RESPONSE TO ¶ 43:** Disputed in Part.

Respondent disputes Complaint Counsel's assertions to the extent they purport to set forth all of HomeAdvisor's policies and procedures regarding lead credits, which are set forth in detail in Respondent's statement of facts. See HA-SOF ¶¶ 71– 73. Service providers can request lead credit by calling HomeAdvisor customer care or on HomeAdvisor's website or mobile application.

HA-SOF ¶ 72. HomeAdvisor's

[REDACTED]

See HA-SOF ¶¶ 71-73; PX0033-0006 – 007; PX0028 (HomeAdvisor/Smith Dep. 139:8-140:5); RX0083 at 163:20-164:15, 165:16-24.

[REDACTED]

See, e.g., RX0085 at 180:17-181:2

[REDACTED]

RX0097 at 63:16-64:2

[REDACTED]

Further, HomeAdvisor's policy is to grant, to service providers that are in the first 30 days of their HomeAdvisor membership, requests for credits for leads provided to service providers that are the result of the service provider being incorrectly profiled for a certain task or zip code. PX0028 (HomeAdvisor/Smith Dep. 179:6-25); HA-SOF ¶ 43.

As set forth in detail in Respondent's statement of facts, [REDACTED]

[REDACTED]

X0028 (HomeAdvisor/Smith Dep. 136:19-139:7, 156:20-159:16, 158:5-159:16); RX0154 at Interrog. 11; HA-SOF ¶ 72.

although credit requests may always be granted on a discretionary basis even where they fall outside the Lead Credit Guidelines. See *id.*; RX0113 & RX0114 (stating HomeAdvisor "reserves the right to provide Credits for circumstances not listed below"); RX0083 at 148:16-149:11; RX0154 at Interrog. 11; HA-SOF ¶ 72. Respondent further reiterates its response to CC-SOF ¶ 41.

44. [REDACTED]

[REDACTED]

PX0033-0006 to -0007; PX0028 (HomeAdvisor/Smith Dep. 139:8-140:5, 140:17-21).

**RESPONSE TO ¶ 44:** Disputed.

Respondent disputes Complaint Counsel's assertions because they omit that HomeAdvisor's policy is to grant lead credit requests to service providers that are in the first 30 days of their HomeAdvisor membership when their requests for lead credits are the result of the service provider being incorrectly profiled for a certain task or zip code, as set forth in detail in Respondent's statement of facts. PX0028 (HomeAdvisor/Smith Dep. 179:6-25); HA-SOF ¶ 43.

HomeAdvisor's corporate witness [REDACTED]

[REDACTED] PX0028  
(HomeAdvisor/Smith Dep. 141:8-16). HomeAdvisor's corporate witness testified that he does  
[REDACTED] PX0028 (HomeAdvisor/Smith Dep. 141:12, 141:19-20  
Respondent further reiterates  
its responses to CC-SOF ¶¶ 41, 43.

45.

[REDACTED]  
PX0028 (HomeAdvisor/Smith Dep. 136:11-137:12, 140:17-21, 156:13-158:20);  
PX0038-0002, -0005 to -0009, -0011 [REDACTED]

**RESPONSE TO ¶ 45:** Disputed in Part.

Respondent disputes Complaint Counsel's allegations in the first sentence of CC-SOF ¶ 45. [REDACTED]

[REDACTED] HA-SOF ¶ 73; RX0002 ¶ 4 & Appendix A, Exhibit  
2. [REDACTED]  
[REDACTED] HA-SOF ¶ 66; RX0002 ¶ 3 & Appendix A, Exhibit 1; *see also*  
PX0034-0029 to -0030 [REDACTED]

Respondent further disputes Complaint Counsel's allegation in the second sentence of CC-SOF  
¶ 45 to the extent that they purport to state all of the steps that HomeAdvisor's internal team  
undertakes to review credit requests. *See* HA-SOF ¶¶ 71-72. [REDACTED]

[REDACTED] although credit requests may always be granted on a discretionary basis even  
where they fall outside the Lead Credit Guidelines. *See* PX0028 (HomeAdvisor/Smith Dep.  
156:20-159:16); RX0113 & RX0114 (stating HomeAdvisor "reserves the right to provide Credits  
for circumstances not listed below"); RX0083 at 148:16-149:11; RX0154 at Interrog. 11. This  
process necessarily entails a lead-by-lead assessment, and in all instances, [REDACTED]

[REDACTED] PX0028 (HomeAdvisor/Smith Dep. 158:5-159:16); *see also* PX0038.

46. If HomeAdvisor cannot verify the service provider's reason, HomeAdvisor [REDACTED]  
denies the credit request. PX0038-0003 [REDACTED]

[REDACTED] -0005 to -0006  
[REDACTED]

-0007  
-0008  
-0011  
-0014

PX0137 at ¶ 6 (service provider told by HomeAdvisor representatives that lead credit requests were denied because HomeAdvisor had been unable to contact homeowner to confirm that lead was for the wrong type of work).

**RESPONSE TO ¶ 46:** Disputed in Part.

Respondent disputes Complaint Counsel’s assertions because they omit, among other things, that (i) HomeAdvisor *automatically* grants lead credit requests under certain circumstances and (ii) HomeAdvisor often provides discretionary credits—even when the SP is not entitled to such credits per HomeAdvisor’s Lead Credit Guidelines, as set forth in detail in Respondent’s statement of facts. See HA-SOF ¶¶ 43, 71–73. Respondent reiterates its response to CC-SOF ¶¶ 44–45. Respondent further disputes this paragraph to the extent it implies that HomeAdvisor has improperly denied credit requests. To the extent that this paragraph references PX0038—

the document speak for itself and is the best evidence of its content. Indeed, PX0038 states only that HomeAdvisor

To the extent that this paragraph references the declaration of service provider Bill Nash (PX0137), Complaint Counsel omits that

RX0011 at 23:6; 30:15; 156:2–11.

47.

PX0028 (HomeAdvisor/Smith Dep. 207:11-23).

**RESPONSE TO ¶ 47:** Disputed in Part.

Respondent does not dispute that HomeAdvisor’s witness testified that under the circumstances described in the second sentence of CC-SOF ¶ 47, HomeAdvisor does not generally proactively provide a credit. But the evidence shows that HomeAdvisor grants proactive credits in certain other circumstances. For instance,

RX0154 at Interrog. 11.





50. Service providers complain that requesting lead credits from HomeAdvisor is time consuming. PX0001 at ¶ 5 (“I wasted a lot of time on hold trying to get credited for the leads that were of no use to us, and sometimes it was just too much trouble to take the time away from my day to make the attempt.”), ¶¶ 10, 22; PX0002 at ¶ 11 (“I had to spend a lot of time speaking with rude or unhelpful customer service representatives or just waiting on hold to get credits.”); PX0003 at ¶ 10 (“HomeAdvisor leads were a costly distraction because of the time I wasted reaching out to leads that did not respond and attempting to obtain credit for those leads . . . I was calling HomeAdvisor almost daily requesting lead credits . . .”); PX0005 at ¶ 8 (“I was running a business and I did not have time in my day to verify or validate HomeAdvisor’s leads and then contact customer service to obtain credits for mismatched leads.”); PX0009 at ¶ 12 (“I have spent hours of wasted time calling bogus leads and calling HomeAdvisor trying to cancel and get a refund.”); PX0010 at ¶ 11 (“I had a loss of about \$500, plus wasted time spent calling worthless leads and dealing with HomeAdvisor’s customer service regarding credit and cancellation requests.”); PX0137 at ¶ 10 (“I have spent many wasted hours following up on these useless leads and pursuing credits for them.”); PX0019-0106 (“I was calling Home Advisor at least 3 times a week . . .”), -0113 (“We had to keep following up to be sure we were credited.”), -0125 (“I spent hours on the phone with their customer service and on hold most of the time trying to find a resolution.”), -0149 (“I have wasted so much time trying to work with HomeAdvisor that I now am tracking time to see how much they owe me. Time better spent on actual clients.”).

**RESPONSE TO ¶ 50:** Disputed.

Respondent disputes Complaint Counsel’s allegations in SOF ¶ 50.

To the extent that this paragraph references declarations of certain service providers, Respondent has shown that these declarants are not credible witnesses and their testimony implicates disputed material facts that must be resolved by the Administrative Law Judge before any decision on the merits appropriately can be made, as set forth in detail in Respondent’s statement of facts. HA-SOF ¶¶ 88–109. Further, anecdotal and discredited assertions of a limited number of service providers cannot represent the overall experience of hundreds of thousands of service providers who enrolled in and utilized HomeAdvisor’s services since 2014. [REDACTED]

[REDACTED] HA-SOF ¶ 66; RX0002 ¶ 3 & Appendix A, Exhibit 1. This reflects HomeAdvisor’s liberal and general practice of issuing credits, [REDACTED] See HA-SOF ¶¶ 71–73. Many of HomeAdvisor’s service providers have expressed their satisfaction with HomeAdvisor’s credit process. [REDACTED]

[REDACTED] This evidence shows that HomeAdvisor service professionals can request credits easily and efficiently in a number of ways, including directly through the HomeAdvisor

mobile application or website (sometimes called the Pro Portal), or over the phone with a HomeAdvisor representative. *See, e.g.*, RX0064 at 126:7–11; RX0083 at 145:23–146:10; Smith Dep. 108:7–13.

To the extent that the paragraph references complaints filed by service providers with the Better Business Bureau (“BBB”), the complaints speak for themselves and are the best evidence of their contents.

51. If a service provider does not pay what HomeAdvisor claims they owe, HomeAdvisor regularly sends them to collections. PX0001 at ¶ 18 (sent to collections); PX0003 at ¶¶ 11-12 (sent to collections after refusing to pay for “leads that did not return my calls or did not seek [my] services”); PX0005 at ¶ 10 (sent to collections after refusing to pay for “a useless lead”); PX0006 at ¶ 10 (sent to collections); PX0009 at ¶ 12 (sent to collections after refusing to pay for “illegitimate” lead charges); PX0010 at ¶ 9 (sent to collections); PX0019-0056 (“I was threatened with having my account being sent to collections.”), -0062 (“Home Advisor is claiming we owe them money and are sending us to collections.”), -0073 (“They are saying we owe them the money or they will send us to a collections.”), -0119 (“[T]hey told me they would send me to collections if I didn’t pay.”), -0125 to -0126 (“I then received threatening letters and phone calls saying I would be sent to collections if I did not pay for unauthorized, unwarranted charges for other bogus leads . . .”), -0133 (service provider informed he must pay HomeAdvisor or will be sent to collections), -0136 (sent to collections), -0143 (“I’m still getting emails saying we are going to collection.”), -0149 (received “a nasty notice of referral to a collections agent); *cf.* PX0034-0057 [REDACTED]

**RESPONSE TO ¶ 51:** Disputed.

Respondent disputes Complaint Counsel’s allegations in CC-SOF ¶ 51 because Complaint Counsel never defines “regularly,” and this paragraph’s resort anecdotal examples instead of data is unreliable and insufficient to show any purported regularity as a matter of fact or law. Respondent further disputes Complaint Counsel’s allegations in CC-SOF ¶ 51, to the extent that they purport to set forth all information pertaining to HomeAdvisor’s accounts receivable collection process, which the cited evidence does not address.

52. [REDACTED] PX0034-0056;  
PX0030 (HomeAdvisor/Schott Dep. 22:23-23:2, 47:19-48:6).

**RESPONSE TO ¶ 52:** Disputed in Part.

Respondent does not dispute that the quality assurance (“QA”) process [REDACTED]  
[REDACTED] PX0034-0056. Respondent disputes Complaint Counsel’s description of the QA process to the extent that it purports to describe the full extent of HomeAdvisor’s QA process. As set forth in detail in Respondent’s statement of facts, the QA process includes, among other things, [REDACTED]

[REDACTED] PX0034-0056; *see also* HA-SOF ¶¶ 110–13. In addition, [REDACTED] PX0030 (HomeAdvisor/Schott Dep. 48:1–4); *see also* HA-SOF ¶¶ 110–13.

53. [REDACTED] PX0030 (HomeAdvisor/Schott Dep. 23:8-24:6).

**RESPONSE TO ¶ 53:** Respondent does not dispute that HomeAdvisor’s corporate witness testified as such.

54. [REDACTED] PX0044-0018; PX0030 (HomeAdvisor/Schott Dep. 53:17-56:22); PX0048-0005.

**RESPONSE TO ¶ 54:** Respondent does not dispute the allegation in this paragraph, provided [REDACTED] including ensuring that the representations made by HomeAdvisor sales representatives accurately state HomeAdvisor’s products and services. Respondent reiterates its response to CC-SOF ¶ 52; *see also* HA-SOF ¶¶ 110–13.

55. [REDACTED] PX0030 (HomeAdvisor/Schott Dep. 61:17-62:11, 63:5-22, 94:24-96:21); PX0039-0005; PX0040-0005.

**RESPONSE TO ¶ 55:** Respondent does not dispute the allegations in this paragraph, provided that the cited evidence speaks for itself and is the best evidence of its contents.

56. [REDACTED] PX0030 (HomeAdvisor/Schott Dep. 192:15-22, 199:20-24, 201:7-9, 202:25-203:9, 222:6-224:18); PX0040-0006.

**RESPONSE TO ¶ 56:** Respondent does not dispute that HomeAdvisor’s corporate witness testified as such when asked about PX0040-0006 by Complaint Counsel during the investigational hearing.

57. [REDACTED]

[REDACTED] PX0030 (HomeAdvisor/Schott Dep. 154:8-25).

**RESPONSE TO ¶ 57:** Respondent does not dispute that HomeAdvisor's corporate witness testified as such.

58. [REDACTED] PX0030  
(HomeAdvisor/Schott Dep. 155:7-12, 156:3-9).

**RESPONSE TO ¶ 58:** Respondent does not dispute that HomeAdvisor's corporate witness testified that [REDACTED] PX0030 (HomeAdvisor/Schott Dep. 155:7-12).

59. [REDACTED] PX0030  
(HomeAdvisor/Schott Dep. 90:18-25).

**RESPONSE TO ¶ 59:** Respondent does not dispute that HomeAdvisor's corporate witness testified as such.

60. [REDACTED] PX0030 (HomeAdvisor/Schott Dep. 138:4-139:16).

**RESPONSE TO ¶ 60:** Disputed in part.

HomeAdvisor's corporate witness did testify as such, but HomeAdvisor's corporate witness further testified [REDACTED] PX0030 (HomeAdvisor/Schott Dep. 138:4-139:16); *see also* HA-SOF ¶¶ 110-13.

61. [REDACTED] PX0054-0077  
[REDACTED] -0091  
[REDACTED] PX0135-0014  
[REDACTED] PX0134-0014  
[REDACTED] PX0084-0002

[REDACTED] (emphasis in original); PX0088-0036 [REDACTED] (emphasis in original).

**RESPONSE TO ¶ 61:** Disputed in part.

Respondent does not dispute that lead quality broadly speaking is important to service providers. To the extent that this paragraph references documents, the documents speak for themselves and are the best evidence of their contents. Respondent disputes this paragraph insofar as it asserts that lead quality or leads generally are the sole or even primary factors motivating a service provider's decision to enroll in HomeAdvisor. *See, e.g.*, RX0010 at 106:2–11; *id.* at 92:17–95:24

[REDACTED] Respondent furthermore disputes this paragraph to the extent that Complaint Counsel seeks to impose its own or other singular definition of “quality,” which service providers may interpret to mean very different things. *Compare, e.g.*, RX0015 at 137:5–12

[REDACTED] with RX0006 at 78:25–79:5

62. HomeAdvisor's advertising materials have represented that HomeAdvisor's leads concern people who intend to hire a service provider soon, using language such as:

- a. “Ready to hire” and “ready to buy.” PX0018-0025 (HomeAdvisor website stating, “You won't have to waste your time with customers who just window-shop. HomeAdvisor allows you to spend your time with the right ‘ready-to-buy’ customers.”), -0029 (same), -0033 (same), -0037 (same), -0041 (same), -0045 (same), -0049 (same), -0073 (“HomeAdvisor connects contractors with homeowners who are ready to hire pros for their home projects—giving you access to targeted leads for your business. Simply choose the services you offer and the locations you serve, and we'll match you with homeowners looking to start projects in those areas.”); PX0019-0012 (HomeAdvisor website stating, “You won't have to waste your time with customers who just window-shop. Angi Leads allows you to spend your time with the right ‘ready-to-buy’ customers.”), -0047 (“We'll connect you with homeowners looking to hire pros in your area.”), -0049 (“HomeAdvisor connects contractors with homeowners who are ready to hire pros for their home projects – giving you access to targeted leads for your business. Simply choose the services you offer and the locations you serve, and we'll match you with homeowners looking to start projects in those areas.”).
- b. “Project-ready.” PX0019 at ¶ 9 (video appearing on HomeAdvisor website stating, “HomeAdvisor is the number one marketplace for project-ready homeowners to connect with pre-screened pros.”); PX0041-0007 [REDACTED]

[REDACTED] PX0099-0004 [REDACTED] PX0101-0002  
[REDACTED] PX0112-0002 [REDACTED] PX0029  
(HomeAdvisor/Bergner Dep. 21:12-24 [REDACTED]  
[REDACTED] ;

- c. “Serious.” PX0019 at ¶ 9 (video appearing on HomeAdvisor website stating, “[W]ith HomeAdvisor’s patented ProFinder technology, you’re only matching to serious homeowners in your area.”); and
- d. “Actively seeking the services you provide.” PX0018-0079 (HomeAdvisor website stating, “When you’re a [member of HomeAdvisor’s service provider network], HomeAdvisor matches you with homeowners actively seeking the services you provide in your area – making it easier than ever to connect with new customers and win more jobs.”), -0084 (same), -0089 (same).

**RESPONSE TO ¶ 62:** Disputed.

Respondent disputes Complaint Counsel’s allegations in CC-SOF ¶ 62 because Complaint Counsel never defines “soon,” and the cited evidence does not indicate that HomeAdvisor’s advertising materials have represented that HomeAdvisor’s leads concern people who intend to hire a service provider “soon.” Instead, the cited evidence only reveals that certain pages of HomeAdvisor’s websites and some of its advertising materials, at times, have used words and phrases such as “ready to hire,” “project ready,” “serious,” and “actively seeking services” to describe homeowners generally. Further, Respondent disputes that Complaint Counsel’s description that PX0041-0007 refers to leads as “project requests.” PX0041-0007 mentions [REDACTED] PX0041-0007.

As set forth in detail in Respondent’s statement of facts, what HomeAdvisor has consistently represented to service providers is that a “lead” is not a “job,” let alone a “guaranteed job.” See HA-SOF ¶¶ 1–11; RX0163 at ‘859–861 (2019 New Hire Workbook for Sales Representatives). Indeed, during the time period at issue in this litigation, prospective service providers have been required to confirm their understanding that leads are not jobs, by for example, listening to, and affirmatively confirm their understanding of, the following prompt before they can complete the HomeAdvisor enrollment process: “HomeAdvisor provides project leads, not guaranteed jobs. You will be billed for each lead that we send to you, and your success will vary depending on your abilities to follow up with potential prospects and sell your services.” See HA-SOF ¶¶ 1–11; PX0078-0014, -0018, -0022, -0026, -0030, -0034, -0037, -0041.

Further, the cited evidence do not address the alleged meaning of “soon” nor does it substantiate a claim that HomeAdvisor’s marketing materials tell or suggest to service providers that jobs will be secured in any particular amount of time, as set forth in detail in Respondent’s statement of facts. *See* HA-SOF ¶¶ 1–13. There are numerous factors that can impact the outcome of any sales interaction, including the service provider’s own efforts to develop its leads, [REDACTED]

[REDACTED] HA-SOF ¶¶ 74–81; *see*,  
*e.g.*, RX0071 ¶ 8

HomeAdvisor further disputes the allegations in CC-SOF ¶ 62 because it ignores the evidence

[REDACTED]  
*See, e.g.*, HA-SOF ¶ 13, 88; RX0010 at 110–111



*id.* at 116–19

HomeAdvisor further disputes this paragraph insofar as it relies on so-called “scripts” because sales agents do not use set scripts during sales calls with service providers. *See, e.g.*, HA-SOF ¶¶ 12–13; RX0083 at 27:21–25

*id.* at 191:9–10

RX0085 at 53:16–20

X0029 (HomeAdvisor/Bergner Dep.) at 160:14–16

X0087 at 77:21–78:1

Otherwise, to the extent that this paragraph references documents, the documents speak for themselves and are the best evidence of their contents.

63.

PX0029 (HomeAdvisor/ Bergner Dep. 17:9-18:12

20:23-21:24

**RESPONSE TO ¶ 63:** Disputed in Part.

Respondent disputes Complaint Counsel’s characterization of PX0050 as a

PX0029 (HomeAdvisor/ Bergner Dep. 17:7–

18:23); PX0050-0001. *See also* PX0050-0003 [REDACTED]

[REDACTED] Respondent otherwise reiterates its response to CC-SOF ¶ 62, including the fact that this paragraph is disputed because it ignores (1) that HomeAdvisor has consistently represented to service providers is that a “lead” is not a “job,” let alone a “guaranteed job”; (2) that there are numerous factors that can impact the outcome of any sales interaction, including the service provider’s own efforts to develop its leads, [REDACTED] and other service providers have acknowledged; (3) [REDACTED] and (4) that sales agents do not use set scripts during sales calls with service providers. *See, e.g.*, HA-SOF ¶¶ 1–13, 74–81, 88.

64. [REDACTED]

PX0030

(HomeAdvisor/Schott Dep. 71:17-72:8 [REDACTED])

**RESPONSE TO ¶ 64:** Disputed.

Respondent disputes Complaint Counsel’s allegations in CC-SOF ¶ 64. In the cited portion of PX0030, Complaint Counsel asked, [REDACTED]

PX0030

(HomeAdvisor/Schott Dep. 71:17–72:8).

Respondent otherwise reiterates its response to CC-SOF ¶ 62, including the fact that this paragraph is disputed because it ignores (1) that HomeAdvisor has consistently represented to service providers is that a “lead” is not a “job,” let alone a “guaranteed job”; (2) that there are numerous factors that can impact the outcome of any sales interaction, including the service provider’s own efforts to develop its leads, [REDACTED] and other service providers have acknowledged; (3) [REDACTED] and (4) that sales agents do not use set scripts during sales calls with service providers. *See, e.g.*, HA-SOF ¶¶ 1–13, 74–81, 88.

65. HomeAdvisor’s sales agents have frequently represented to service providers that HomeAdvisor’s leads concern people who intend to hire a service provider soon, using language including or similar to:

- (a) “Ready to hire” and “ready to buy.” PX0013 at ¶ 8 (“In sales presentations, we always described the leads as homeowners who were ready to hire [home services professionals] for existing jobs.”); PX0014 at ¶ 3 (“I and other sales representatives told [home service professional] prospects that the leads were from people looking

for contractors to do their jobs right away.”); PX0001 at ¶ 7 (“[The sales agent] said that all the leads were homeowners who were ‘ready to hire[.]’”); PX0009 at ¶ 1 (“The sales agent again assured me that the HomeAdvisor leads were from people with actual jobs in my area who were looking for a contractor.”); PX0004 at ¶ 2 (“[The sales agent] said that these homeowners were in the final stages of hiring someone, and that they had jobs that were ready to go.”); PX0006 at ¶ 3 (“[The sales agent] also said, ‘These people [the leads] are ready to buy.’”); PX0007 at ¶ 3 (“[The sales agent] explained that all leads were ‘vetted for quality assurance’ and that they were homeowners who were ‘ready to hire.’”); [REDACTED]

- (b) “Project-ready.” PX0012 at ¶ 4 (“[T]he trainers taught us to tell the service providers that the homeowners were ‘ready to go’ and the work was immediately available.”); PX0009 at ¶ 1 (“[The sales agent] explained that HomeAdvisor vetted its leads and that the prospective clients were ‘project-ready,’ which I understood to mean that the prospective clients had actual projects and were looking for a contractor.”); [REDACTED]

- (c) “Serious.” PX0015 at ¶ 5 (“Our managers approved of us referring to homeowners as serious and actively looking to start a project.”); PX0002 at ¶ 3 (“He said the leads were people who had contacted HomeAdvisor directly and were serious about hiring a service provider.”); PX0010 at ¶ 2 (“He explained that these were homeowners who were serious about getting work done immediately.”); [REDACTED]

and

- (d) “Actively seeking the services you provide.” PX0015 at ¶ 5 (“Our managers approved of us referring to homeowners as serious and actively looking to start a project.”); PX0003 at ¶ 3 (“[The sales agent] said that every HomeAdvisor lead is from a homeowner who has contacted HomeAdvisor directly and indicated that they are actively seeking a service provider for a job.”).

**RESPONSE TO ¶ 65:** Disputed.

Respondent disputes Complaint Counsel’s allegations in CC-SOF ¶ 65 because Complaint Counsel never defines “soon” and the cited evidence does not substantiate the claim that HomeAdvisor has made “frequent[]” representations to service providers that “leads concern people who intend to hire a service provider soon.” CC-SOF ¶ 65. Respondent reiterates its response to CC-SOF ¶ 62, including the fact that this paragraph is disputed because it ignores (1) that HomeAdvisor has consistently represented to service providers is that a “lead” is not a “job,” let alone a “guaranteed job”; (2) that there are numerous factors that can impact the outcome of any sales interaction, including the service provider’s own efforts to develop its leads, as [REDACTED] and other service providers have acknowledged; (3) [REDACTED] and (4) that sales agents do not use set scripts during sales calls with service providers. *See, e.g.*, HA-SOF ¶¶ 1–13, 74–81, 88.

To the extent that this paragraph references declarations of certain service providers or of former sales agents of HomeAdvisor, Respondent has shown that these declarants are not credible witnesses and their testimony implicate disputed material facts that must be resolved by the Administrative Law Judge before any decision on the merits appropriately can be made, as set forth in detail in Respondent’s statement of facts. *See* HA-SOF ¶¶ 88–109. To the extent that this paragraph references call recordings, the recordings speak for themselves and are the best evidence of the contents of those specific calls, which represent just a few statements—divorced from their context—taken from an unrepresentative and unreliable sample. HA-SOF ¶¶ 106–09. HomeAdvisor disputes that any of the statements cited in CC-SOF ¶ 65(a)–(d) is exemplary of the statements made to HomeAdvisor’s service providers. HA-SOF ¶¶ 106–09.

66.

[REDACTED]

*Compare*

[REDACTED] with

PX0061-0001, -0006

compare

[REDACTED] with PX0060-0005

compare

[REDACTED] with PX0065-0001, -0006

; compare

[REDACTED] with

PX0075-0001, -0005

and -0034

[REDACTED]

**RESPONSE TO ¶ 66:** Disputed.

Respondent disputes Complaint Counsel’s allegations in CC-SOF ¶ 66 because Complaint Counsel never defines “soon,” and the cited evidence does not indicate that HomeAdvisor have represented to service providers that HomeAdvisor’s leads concern people who intend to hire a service provider “soon.” Further, Complaint Counsel provides no evidence to characterize the sales call recordings cited in CC-SOF ¶ 66 as those that should have been flagged during the HomeAdvisor’s QA process, other than its own subjective view of those recordings. Respondent reiterates its response to CC-SOF ¶ 65, and disputes that any of these statements is exemplary of the statements made to HomeAdvisor’s service providers. HA-SOF ¶¶ 106–09.

Respondent also reiterates its response to CC-SOF ¶ 62, including the fact that this paragraph is disputed because it ignores (1) that HomeAdvisor has consistently represented to service providers is that a “lead” is not a “job,” let alone a “guaranteed job”; (2) that there are numerous factors that can impact the outcome of any sales interaction, including the service provider’s own efforts to develop its leads, [REDACTED] and other service providers have acknowledged; (3) [REDACTED] and (4) that sales agents do not use set scripts during sales calls with service providers. *See, e.g.*, HA-SOF ¶¶ 1–13, 74–81, 88.

67. Service providers have regularly received leads from HomeAdvisor that concerned people who did not intend to hire a service provider soon. PX0037 [REDACTED]

[REDACTED] PX0028 (HomeAdvisor/Smith Dep. 151:18-152:23 {(explaining what PX0037 shows)}, 236:23-238:1 [REDACTED]

[REDACTED] PX0001 at ¶ 9 (leads concerned people who only wanted information and did not expect a phone call); PX0004 at ¶ 7 (“As I continued to receive and call leads, I found that a high percentage of them seemed to be bogus.”); PX0005 at ¶ 7 (lead concerned “Luke Nasty” at non-existent address); PX0006 at ¶ 7 (“I estimate that about two in five leads (where I actually reached someone by phone) were people who had no idea why I was calling them.”); PX0009 at ¶ 9 (“Two of the leads were disconnected numbers. Some of the leads told me they had no idea how HomeAdvisor had gotten their number . . . .”); PX0011 at ¶ 5 (“The person I reached had no idea why I was calling. They told me they were not looking for staging services and claimed that they had never requested information or referrals regarding staging services from HomeAdvisor or any other site.”); PX0016 at ¶ 2-4 (consumer received calls despite not submitting request); PX0017 at ¶¶ 2, 5-7 (consumer received calls despite not submitting request); PX0089-0001 {(“Another Bogus SR, this one ‘put in’ by an eleven year old boy.”)}; PX0090-0001 [REDACTED]

[REDACTED] ; PX0091-0001 to - [REDACTED] 0003 [REDACTED] PX0095-0016 [REDACTED]

[REDACTED] PX0103-0002 [REDACTED]

[REDACTED]; PX0125-0003  
[REDACTED] PX0129-0001 [REDACTED] PX00131-0003  
[REDACTED] cf. PX0038-0002, -0003, -0005, -0006, -0014, -0015  
[REDACTED]

**RESPONSE TO ¶ 67:** Disputed.

Respondent disputes Complaint Counsel’s allegations in CC-SOF ¶ 67, because they do not define “soon” and instead incorrectly assume that all consumers across hundreds of tasks not only hire a service provider for every task in which they have expressed interest, but they do so on the same timeline. Respondent also reiterates its response to CC-SOF ¶ 62, including the fact that this paragraph is disputed because it ignores (1) that HomeAdvisor has consistently represented to service providers is that a “lead” is not a “job,” let alone a “guaranteed job”; (2) that there are numerous factors that can impact the outcome of any sales interaction, including the service provider’s own efforts to develop its leads, [REDACTED] and other service providers have acknowledged; (3) [REDACTED] and (4) that sales agents do not use set scripts during sales calls with service providers. *See, e.g.*, HA-SOF ¶¶ 1–13, 74–81, 88. Indeed, the cited portions of PX0028 affirm that HomeAdvisor’s [REDACTED] [REDACTED] PX0028 (HomeAdvisor/Smith Dep. 237:6–14).

To the extent that this paragraph references PX0037, it does not support Complaint Counsel’s allegation that the leads at issue “concerned people who did not intend to hire a service provider soon.” [REDACTED]

[REDACTED] RX0158. The requests for lead credits referenced by Complaint Counsel in CC-SOF ¶ 67 merely show that service providers {designated

[REDACTED]

[REDACTED] RX0158. These service-provider designated reasons obviously can arise, not because the homeowner was not “project ready” or “serious,” but because another service provider contracted the homeowner first, or the homeowner decided to hire someone else, or there was a change in the homeowner’s circumstances. HA-SOF ¶¶ 74–81.

To the extent that this paragraph references PX0089, PX0090, PX0091, PX0095, PX0103, PX0125, PX0129, and PX0131, they reflect that the robust quality control processes that HomeAdvisor has in place concerning service requests and leads and are not supportive of the allegations in this paragraph. In any event, the documents speak for themselves and are the best evidence of their contents.

To the extent that this paragraph references declarations of certain service providers and homeowners, Respondent has shown that these declarants are not credible witnesses and their testimony implicate disputed material facts that must be resolved by the Administrative Law Judge before any decision on the merits appropriately can be made. See HA-SOF ¶¶ 88–109. HomeAdvisor further disputes that any of their statements is exemplary of the experience of HomeAdvisor’s service providers.

To the extent that this paragraph references PX0017, the declaration of Joanna Sawicz, Respondent has shown that this declarant’s statements in her declaration are unreliable. See HA-SOF ¶ 102.

[REDACTED]

[REDACTED] HA-SOF ¶ 102; RX0002 ¶ 12 & Appendix A, Exhibit 10.

68.

[REDACTED]

[REDACTED] PX0108-0002; PX0025-0004  
[REDACTED], -0006 to -0007 [REDACTED]

**RESPONSE TO ¶ 68:** Disputed.

Respondent disputes Complaint Counsel’s allegations because Complaint Counsel mischaracterizes survey responses. In the Exit Survey, the departing service providers are asked, “What was the main reason you left HomeAdvisor?” PX0108-0001; PX0025-0007. [REDACTED]

[REDACTED]

[REDACTED] PX0108-0002 (Emphasis added). Thus, it is erroneous and misleading for Complaint Counsel to allege, based on PX0108, [REDACTED] [REDACTED] “Homeowners were not serious about doing jobs.” HomeAdvisor further disputes this paragraph to the extent that it calls for expert testimony on the *reliability* of these survey methods to make broad generalizations about HomeAdvisor’s entire service provider network, which Complaint Counsel does not reference or otherwise provide. Cf. HA-SOF ¶¶ 106–109; RX0061.

Respondent also reiterates its response to CC-SOF ¶ 62, including the fact that this paragraph is disputed because it ignores (1) that HomeAdvisor has consistently represented to service providers is that a “lead” is not a “job,” let alone a “guaranteed job”; (2) that there are numerous factors that

can impact the outcome of any sales interaction, including the service provider’s own efforts to develop its leads, [REDACTED] and other service providers have acknowledged; (3) [REDACTED] and (4) that sales agents do not use set scripts during sales calls with service providers. *See, e.g.*, HA-SOF ¶¶ 1–13, 74–81, 88.

69. [REDACTED] X0110-0003; PX0025-0004 [REDACTED] -0006 [REDACTED]

**RESPONSE TO ¶ 69:** Disputed in part.

Respondent disputes this paragraph insofar as it omits that the survey responses were drawn from a small sample of HomeAdvisor’s service providers and that there are well-documented self-reporting biases associated with voluntary survey techniques, particularly for individuals who have already cancelled or otherwise terminated their HomeAdvisor memberships. PX0025-0010. HomeAdvisor further disputes this paragraph to the extent that it calls for expert testimony on the *reliability* of these survey methods to make broad generalizations about HomeAdvisor’s entire service provider network, which Complaint Counsel does not reference or otherwise provide. *Cf.* HA-SOF ¶¶ 106–109; RX0061.

Respondent also reiterates its response to CC-SOF ¶ 62, including the fact that this paragraph is disputed because it ignores (1) that HomeAdvisor has consistently represented to service providers is that a “lead” is not a “job,” let alone a “guaranteed job”; (2) that there are numerous factors that can impact the outcome of any sales interaction, including the service provider’s own efforts to develop its leads, [REDACTED] and other service providers have acknowledged; (3) [REDACTED] and (4) that sales agents do not use set scripts during sales calls with service providers. *See, e.g.*, HA-SOF ¶¶ 1–13, 74–81, 88.

70. Service providers have complained to the Better Business Bureau that they were misled during the sales process into believing that HomeAdvisor’s leads concern people who intend to hire a service provider soon. PX0019-0056 (“I had verbally negotiated an agreement with [the sales representative] as follows: - ‘Home Advisor, Inc.’ would provide sales leads from people properly screened (Serious buyers ready to purchase equipment or services).”), -0068 (“The leads are supposed to be pre-screened and would be for customers who are ready to have work done at that time[.]”), -0071 (“Home Advisor’s ‘leads’ are nothing more than ‘tire kickers’ who are not, despite the assurances of HomeAdvisor ‘ready to execute the project’.”), -0073 (“The salesman totally sold us. HA would send us pre-qualified leads for real jobs.”), -0078 (“I was promised that Home Advisor would help my business grow and that they would send leads from people who were genuinely looking to hire.”), -0093 (“[T]his company solicited me with the promise of legitimate leads for my company from parties that had been screened and were ready to move forward with projects . . . .”), -0102 (“They mislead contractors into believing that all leads are verified and



customers are ready to move forward when you receive that lead.”), -0105 (“I . . . was told by a rep that there are hundreds of home owners in our area looking for roofers and that these homeowners are ready to get the work done or why would they take the time out to fill out a 4 page application . . .”), -0113 (“The company stated the customers would be pre-screened to be certain they were actually ready to hire a contractor.”), -0116 (“They promised the leads would be verified customer[s] that were ready to move forward with a project including the services I provide.”), -0122 (“These leads are not what home advisor said they would be, customers are not ready to hire, customers say they never wanted a contractor [sic] to connect them, they were just looking on home advisor for a quote.”), -0139 (“Also they were supposed to be solid leads and they weren’t because the customer wasn’t even ready to do anything at all.”), -0145 (“I was charged for attempts by the public to receive a quote for services, but the representative of Home Advisor stated to me that these were leads ‘ready to hire’ me for my services.”).

**RESPONSE TO ¶ 70:** Disputed in Part.

Respondent disputes Complaint Counsel’s allegations in CC-SOF ¶ 70 as they are predicated on a handful of out-of-context anecdotes and the cited evidence equally fails to address the meaning of “soon,” which Complaint Counsel never defines. Respondent reiterates its response to SOF ¶ 65. To the extent that the paragraph references complaints filed by service providers with the Better Business Bureau (“BBB”), the complaints speak for themselves and are the best evidence of their contents.

Respondent also reiterates its response to SOF ¶ 62, including the fact that this paragraph is disputed because it ignores (1) that HomeAdvisor has consistently represented to service providers is that a “lead” is not a “job,” let alone a “guaranteed job”; (2) that there are numerous factors that can impact the outcome of any sales interaction, including the service provider’s own efforts to develop its leads, [REDACTED] and other service providers have acknowledged; (3) [REDACTED] and (4) that sales agents do not use set scripts during sales calls with service providers. *See, e.g.*, HA-SOF ¶¶ 1–13, 74–81, 88.

71. HomeAdvisor’s advertising materials have represented that the leads service providers receive from HomeAdvisor match their geographic and type of work preferences. PX0018-0005 (HomeAdvisor website stating, “Connect with the Targeted Prospects You Need to Succeed[.] Tell us what you do and where, and we deliver prospects that meet your exact needs.”), -0007 (same), -0009 (same), -0012 (same), -0014 (same), -0016 (same), -0018 (same), -0020 (same), -0022 (same), -0025 (“Then we’ll match [customers] with you, based on your preferences for job type and location.” and “With HomeAdvisor, you specify the type of work you do and the geography you serve. HomeAdvisor provides you with new customer leads that match your requirements . . .”), -0029 (same), -0033 (same), -0037 (same), -0041 (same), -0045 (same), -0049 (same), -0052 (“Only Get the Leads You Want[.] You pick your service types and location preferences and we bring you prospects that match what you want.” and “You can define your service and zip code preferences to ensure you only receive the types of requests you want.”), -0055 (same), -0058 (same), -0061 (same), -0064 to -0065 (same), -0067 to -0068 (same), -0070 to -0071 (same), -0073 (“Get leads that fit your business[.] Choose your service types and location preferences,

and we'll connect you with homeowners seeking those services in those locations.” and “You can define your service and ZIP code preferences to make sure you receive the types of requests you want.”), -0092 (“Target leads by specific type of work” and “Target leads by areas you want to work in”); PX0019-0009 (HomeAdvisor website stating, “Connect with the Targeted Prospects You Need to Succeed[.] Tell us what you do and where, and we deliver prospects that meet your exact needs.”), -0012 (“Then we'll match [customers] with you, based on your preferences for job type and location.” and “With Angi Leads, you specify the type of work you do and the geography you serve. Angi Leads provides you with new customer leads that match your requirements . . . .”), -0015 (“Target leads by specific type of work” and “Target leads by areas you want to work in”), -0049 (“Get leads that fit your business[.] Choose your service types and location preferences, and we'll connect you with homeowners seeking those services in those locations.” and “You can define your service and ZIP Code preferences to make sure you receive the types of requests you want.”).

**RESPONSE TO ¶ 71:** Disputed in Part.

Respondent disputes Complaint Counsel's allegations in CC-SOF ¶ 71, to the extent that they omit that service providers' geographic areas and specific tasks are set and controlled by the service providers and that HomeAdvisor matches leads to service providers based on those self-selected criteria and the information submitted by homeowners, as set forth in detail in Respondent's statement of facts. HA-SOF ¶¶ 14–15, 40–43; PX0033-0013

PX0029 (HomeAdvisor/Bergner Dep. 78:2–5)

PX0028 (HomeAdvisor/Smith Dep. 44:13–17)

PX0033-0011 to -0016

PX0034-0017 to -0020

Respondent also reiterates its responses to CC-SOF ¶ 32. To the extent that this paragraph references documents, the documents speak for themselves and are the best evidence of their contents.

72.

PX0051-0001 to -0002

(emphasis in original); PX0052-0002 (almost identical); PX0132-0002 (almost identical);  
PX0029 (HomeAdvisor/ Bergner Dep. 69:15-70:11, 77:10-22

;PX0111-0005

PX0072-0007

**RESPONSE TO ¶ 72:** Disputed in part.

This paragraph omits important details and context, including that HomeAdvisor sales agents do not use set scripts during sales calls with service providers, as the need and circumstances of each service provider differ, as set forth in detail in Respondent’s statement of facts. HA-SOF ¶¶ 12–13.

PX0029 (HomeAdvisor/Bergner Dep. 160:10–16). Sales scripts and training documents are not intended to be read verbatim by sales agents across thousands of calls with thousands of different business owners in hundreds of different home-services industries. *See, e.g.*, RX0083 at 27:21–25

[REDACTED]

To the extent that this paragraph references documents, the documents speak for themselves and are the best evidence of their contents.

73.

[REDACTED]

PX0051-0001 to -0002

PX0052-0002 (almost identical); PX0132-0002 (almost identical); PX0029 (HomeAdvisor/Bergner Dep. 69:15-70:11 77:10-22

PX0072-0007

**RESPONSE TO ¶ 72:** Disputed in part.

Respondent reiterates its response to CC-SOF ¶¶ 71–72; *see* HA-SOF ¶¶ 14–15, 40–43. To the extent that this paragraph references documents, the documents speak for themselves and are the best evidence of their contents.

74.

PX0030 (HomeAdvisor/Schott Dep. 86:14-87:4)

**RESPONSE TO ¶ 73:** Respondent does not dispute that HomeAdvisor’s corporate witness testified as such, and reiterates its response to CC-SOF ¶¶ 71–72. *See also* HA-SOF ¶¶ 14–15, 40–43.

75. HomeAdvisor’s sales agents have [REDACTED] told service providers that the leads they will receive concern home services projects that match the type of work preferences that service providers express to HomeAdvisor. PX0001 at ¶ 7 (“[The sales agent] reiterated that I could select the specific services my company provided and the exact territory we covered to make sure that we received leads that matched.”); PX0009 at ¶ 1 (“[The sales agent] repeatedly assured me that HomeAdvisor screened its leads and determined them to be legitimate quality leads with actual kitchen or bath remodeling projects.”); [REDACTED]

**RESPONSE TO ¶ 75:** Disputed in part.

To the extent that this paragraph references call recordings, the recordings speak for themselves and are the best evidence of the contents of those specific calls, which represent just a few statements—divorced from their context—taken from an unrepresentative and unreliable sample. HA-SOF ¶¶ 106–09; RX0061. HomeAdvisor disputes that any of the statements cited in this paragraph is exemplary of the statements made to HomeAdvisor’s service providers. HA-SOF ¶¶ 106–09; RX0061. Respondent reiterates its response to CC-SOF ¶¶ 71–72.

To the extent that this paragraph references declarations of certain service providers, Respondent reiterates that these declarants are not credible witnesses and their testimony implicate disputed material facts that must be resolved by the Administrative Law Judge before any decision on the merits appropriately can be made, as set forth in detail in Respondent’s statement of facts. HA-SOF ¶¶ 88–109.

76. HomeAdvisor’s sales agents have [REDACTED] told service providers that the leads they will receive concern home services projects that match the geographic preferences that service providers express to HomeAdvisor. PX0001 at ¶ 7 (“[The sales agent] reiterated that I could select the specific services my company provided and the exact territory we covered to make sure that we received leads that matched.”); PX0009 at ¶ 1 (“The sales agent again assured me that the HomeAdvisor leads were from people with actual jobs in my area who were looking for a contractor.”); PX0011 at ¶ 3 (“He told me that the leads would all be local homeowners within the zip codes that I specified.”); [REDACTED]

**RESPONSE TO ¶¶ 74:** Disputed in part.

To the extent that this paragraph references call recordings, the recordings speak for themselves and are the best evidence of the contents of those specific calls, which represent just a few statements—divorced from their context—taken from an unrepresentative and unreliable sample. HA-SOF ¶¶ 106–09; RX0061. HomeAdvisor disputes that any of the statements cited in this

paragraph is exemplary of the statements made to HomeAdvisor's service providers. HA-SOF ¶¶ 106–09; RX0061. Respondent reiterates its response to CC-SOF ¶¶ 71–72.

To the extent that this paragraph references declarations of certain service providers, Respondent reiterates that these declarants are not credible witnesses and their testimony implicate disputed material facts that must be resolved by the Administrative Law Judge before any decision on the merits appropriately can be made, as set forth in detail in Respondent's statement of facts. HA-SOF ¶¶ 88–109.

77. Service providers have [REDACTED] received leads from HomeAdvisor that do not concern the type of work that the service providers perform. PX0037 [REDACTED]

[REDACTED] ; PX0028  
(HomeAdvisor/ Smith Dep. 151:18-152:23  
PX0109-0002 [REDACTED]

[REDACTED] PX0025-0004 [REDACTED]

[REDACTED] PX0001 at ¶ 4 (many of the leads concerned a service that service provider did not offer); PX0003 at ¶ 6 (lead concerned a project much larger in scope than his one-person business could handle); PX0005 at ¶ 6 (lead concerned a service she did not provide); PX0010 at ¶ 7 (same); PX0137 at ¶¶ 2, 7 (home inspector received two to three leads a week for structural engineering, a service he did not provide); PX0028 (HomeAdvisor/Smith Dep. 71:5-25 [REDACTED];

PX0092 [REDACTED]  
PX0114-0001 to -0002 [REDACTED]

[REDACTED] PX0117-0001 to -0002 [REDACTED]  
[REDACTED] ; PX0116-0001 to -  
0002 [REDACTED] ; PX0115-0001 to -0002 [REDACTED];

[REDACTED] PX0118-0003 to -0005 [REDACTED] ; PX0129-0001 [REDACTED]

[REDACTED] PX0107-0001 to -0002 [REDACTED]  
[REDACTED] ; cf. PX0038-0008, -0012 [REDACTED]

78. Service providers have [REDACTED] received leads from HomeAdvisor that fall outside of the service providers' geographic preferences. PX0037 [REDACTED]

[REDACTED] PX0028  
(HomeAdvisor/Smith Dep. 151:18-152:23 [REDACTED] ; PX0001  
at ¶ 4 (“[M]any of the leads were homeowners who lived outside of the territory we covered.”); PX0106-0002 [REDACTED]

PX0097-0001, -0012 to -0019 [REDACTED]

[REDACTED] PX0107-0001 to -0002 [REDACTED]

[REDACTED] cf. PX0038-0007, -0012 [REDACTED]  
[REDACTED]

**RESPONSE TO ¶¶ 75-78:** Both disputed.

Respondent disputes Complaint Counsel’s allegations in CC-SOF ¶¶ 77–78, because Complaint Counsel never defines “frequently” and because the record demonstrates that HomeAdvisor’s representations about providing service providers with leads that match the service providers’ task types and geographic preferences are accurate and supported by the evidence. RX0067 ¶ 7

[REDACTED]

*see also, e.g.,* RX0006 at 102:25–103:3

[REDACTED] PX0004 (identifies no leads received for an incorrect task or zip code); PX0007 (identifies no leads received for an incorrect task or zip code); *see also* Respondent’s Response to CC-SOF ¶ 32.

Respondent further disputes Complaint Counsel’s allegations in these paragraphs because they omit that service providers’ geographic areas and specific tasks are set and controlled by the service providers and that HomeAdvisor matches leads to service providers based on those self-selected criteria and the information submitted by homeowners, as set forth in detail in Respondent’s statement of facts. HA-SOF ¶¶ 14–15, 40–43.

HomeAdvisor further disputes these paragraphs because of [REDACTED]  
[REDACTED] as set forth in detail in Respondent’s statement of facts. HA-SOF ¶ 146; RX0002 ¶ 13 & Appendix A, Exhibit 11. During the same time period, [REDACTED]

[REDACTED] HA-SOF ¶ 147; RX0002 ¶ 14 & Appendix A, Exhibit 12. This substantial number of service requests and unrealized revenue

demonstrates HomeAdvisor's commitment to providing service providers only with leads that have the potential to help grow its business.

To the extent that CC-SOF ¶¶ 77–78 reference PX0092, PX0114, PX0117, PX0116, PX0115, PX0107, PX0106, and PX0131, they evidence HomeAdvisor's efforts to provide service providers with the leads that fit their profile criteria and to ensure that the service provider is profiled for correct task and location preferences. Otherwise, these documents speak for themselves and are the best evidence of their contents.

To the extent that CC-SOF ¶ 77 references PX0109,

PX0025-0004; RX0154 at Interrog. 20

PX0109-0002.

HomeAdvisor further disputes this paragraph to the extent that it calls for expert testimony on the *reliability* of these survey methods to make broad generalizations about HomeAdvisor's entire service provider network, which Complaint Counsel does not reference or otherwise provide. Cf. HA-SOF ¶¶ 106–09; RX0061.

As set forth in detail in Respondent's statement of facts, service providers may overreach in terms of geographic or task preferences in their first month or may have made errors during the onboarding process, and thus HomeAdvisor's policy is to grant credits for task or geography mismatch in the service provider's first 30 days. HA-SOF ¶ 43; RX0119, at '345

RX0115 at 188:8–189:3

RX0097 at 81:20–82:20 (noting the same).

To the extent that this paragraph references declarations of certain service providers, Respondent has shown that these declarants are not credible witnesses and their testimony implicate disputed material facts that must be resolved by the Administrative Law Judge before any decision on the merits appropriately can be made. HA-SOF ¶¶ 88–109. HomeAdvisor further disputes that any of their statements is exemplary of the experience of HomeAdvisor's service providers.

79.

PX0108-0001 to -0002; PX0025-0004

, -0006 to -0007



**RESPONSE TO ¶ 79:** Disputed in Part.

Respondent disputes that through their responses to the Exit Survey, service providers expressed complaints in the manner described by Complaint Counsel in CC-SOF ¶ 79. In the Exit Survey, the departing service providers are asked, “What was the main reason you left HomeAdvisor?” PX0108-0001; PX0025-0007. [REDACTED]

[REDACTED] PX0108-0003 (emphasis added).

[REDACTED]  
PX0108-0002; PX0025-0007. For context, in the last year alone, HomeAdvisor’s platform has supported over 200,000 service providers. See RX0074 at 8 (“Angi Inc. . . . connects quality home service professionals with consumers across more than 500 different categories, from repairing and remodeling homes to cleaning and landscaping. Over 239,000 domestic service professionals actively sought consumer matches, completed jobs, or advertised work through Angi Inc. platforms during the three months ended March 31, 2022.”).

HomeAdvisor further disputes this paragraph to the extent that it calls for expert testimony on the *reliability* of these survey methods to make broad generalizations about HomeAdvisor’s entire service provider network, which Complaint Counsel does not reference or otherwise provide. Cf. HA-SOF ¶¶ 106–109; RX0061.

80. [REDACTED]

[REDACTED] PX0108-0001 to -0002; PX0025-0004

[REDACTED], -0006 to -0007 [REDACTED]

**RESPONSE TO ¶ 80:** Disputed in Part.

Respondent disputes that through their responses to the Exit Survey, service providers expressed complaints in the manner described by Complaint Counsel in CC-SOF ¶ 80. In the Exit Survey, the departing service providers are asked, “What was the main reason you left HomeAdvisor?” PX0108-0001; PX0025-0007. [REDACTED]

[REDACTED] PX0108-0002 (Emphasis added).

[REDACTED] PX0108-0002;  
PX0025-0007. For context, in the last year alone, HomeAdvisor’s platform has supported over

200,000 service providers. *See* RX0074 at 8 (“Angi Inc. . . . connects quality home service professionals with consumers across more than 500 different categories, from repairing and remodeling homes to cleaning and landscaping. Over 239,000 domestic service professionals actively sought consumer matches, completed jobs, or advertised work through Angi Inc. platforms during the three months ended March 31, 2022.”).

HomeAdvisor further disputes this paragraph to the extent that it calls for expert testimony on the *reliability* of these survey methods to make broad generalizations about HomeAdvisor’s entire service provider network, which Complaint Counsel does not reference or otherwise provide. *Cf.* HA SOF ¶¶ 106–109; RX0061.

81.

[REDACTED]

**RESPONSE TO ¶ 81:** Disputed in part.

HomeAdvisor disputes this paragraph to the extent that it calls for expert testimony on the *reliability* of these survey methods to make broad generalizations about HomeAdvisor’s entire service provider network, which Complaint Counsel does not reference or otherwise provide. *Cf.* HA-SOF ¶¶ 106–109; RX0061, HomeAdvisor further disputes this paragraph because it does not contain survey data for “each year,” but rather ends in 2020.

82. Service providers have complained to the Better Business Bureau that they were misled during the sales process into believing that HomeAdvisor’s leads match their geographic and type of work preferences. PX0019-0090 (“I signed up with Home Advisor and paid an annual membership fee along with agreeing to pay a ‘pay per lead’ fee for each potential customer sent to me as a match based on a select criteria I have provided.”), -0116 (“They promised the leads would be verified customer[s] that were ready to move forward with a project including the services I provide.”), -0119 (“Home Adviser promised to promote my business in a specific geographical location. They instead listed my business at over 350 zip codes that I am not licensed in and charged me over \$1300 for worthless leads.”), -0125 (“They advertise on their website and their salespeople tell you: ‘You’ll be charged only for QUALIFIED leads matching your exact specifications, so you set the budget and the pace.’ This is 100% false.”), -0128 (“Home Advisor was sold to me as a service that I had complete control over by turning my Lead Control on and off as I needed, editing my services offered and also controlling the area I serviced by zip code.”), -0132 (“[T]he sales person knew this [about what my business did] & when I asked how I get the leads, was told they would be geared towards my business. This is NOT the case . . . .”), -0149 (“I was assured that there would be NO leads outside of the zip codes I wanted . . . .”), -0152 (“With that [membership] price would come referrals to people in my area looking for home cleans. To be specific, my exact zip code.”).

**RESPONSE TO ¶ 82:** Disputed.

Respondent disputes Complaint Counsel’s allegations in CC-SOF ¶ 82, to the extent that they suggest that HomeAdvisor’s representations about providing service providers with leads that match the service providers’ task types and geographic preferences are misleading. Respondent reiterates its response to SOF ¶¶ 32, 77-78. To the extent that the paragraph references complaints filed by service providers with the Better Business Bureau (“BBB”), the complaints speak for themselves and are the best evidence of their contents.

To the extent that this paragraph references declarations of certain service providers, Respondent have shown that these declarants are not credible witnesses and their testimony implicate disputed material facts that must be resolved by the Administrative Law Judge before any decision on the merits appropriately can be made, as set forth in detail in Respondent’s statement of facts. HA-SOF ¶¶ 88–109. HomeAdvisor further disputes that any of their statements is exemplary of the experience of HomeAdvisor’s service providers.

83. HomeAdvisor’s website has represented that HomeAdvisor’s leads concern people who knowingly sought HomeAdvisor’s assistance in selecting a service provider. PX0018-0024 to -0025 (HomeAdvisor website stating, “How do consumers use the HomeAdvisor site? The entire process is intuitive for customers, takes mere minutes, and virtually hassle-free. In order to quickly find the best local service professionals, customers submit a brief description of their services using the HomeAdvisor interview on the Web site.” and “How will HomeAdvisor generate the right customers for service professionals? While you’re on the job, HomeAdvisor is finding qualified customers for you. We spend millions of dollars driving consumers to our Web site and educating them for you.”), -0028 to -0029 (same), -0032 to -0033 (same), -0036 to -0037 (same), -0040 to -0041 (same), -0044 to -0045 (same), -0048 to -0049 (same), -0052 (“Over 25 million homeowners have trusted HomeAdvisor to help them find quality pros with the expertise to turn their home improvement dreams into reality. It’s just one of the reasons you can depend on us to bring you highly targeted prospects that will grow your business.”), -0055 (same), -0058 (“Over 30 million homeowners have trusted HomeAdvisor to help them find quality pros with the expertise to turn their home improvement dreams into reality. It’s just one of the reasons you can depend on us to bring you highly targeted prospects that will grow your business.”), -0061 (same), -0064 (same), -0067 (same), -0070 (same), -0092 (“Consumers come to HomeAdvisor.com and give us detailed info about their project.”); PX0019-0011 to -0012 (HomeAdvisor website stating, “How do consumers use the Angi Leads site? The entire process is intuitive for customers, takes mere minutes, and virtually hassle-free. In order to quickly find the best local service professionals, customers submit a brief description of their services using the Angi Leads interview on the Web site.” and “How will Angi Leads generate the right customers for service professionals? While you’re on the job, Angi Leads is finding qualified customers for you. We spend millions of dollars driving consumers to our Web site and educating them for you.”), -0015 (“Consumers come to HomeAdvisor.com and give us detailed info about their project.”).

**RESPONSE TO ¶ 83:** Disputed.

Respondent disputes Complaint Counsel’s allegations in CC-SOF ¶ 83, because they incorrectly suggest that HomeAdvisor represents to service providers that all leads they receive will be from homeowners who submitted service requests on HomeAdvisor’s online platform or over the phone to a HomeAdvisor representative. HA-SOF ¶¶ 148–51. The cited HomeAdvisor webpages do not suggest that HomeAdvisor represents to service providers that all leads are generated directly through HomeAdvisor. To the contrary, the representations contained in the cited webpages are consistent with the fact

[REDACTED]

PX0028 (HomeAdvisor/Smith Dep. 28:20–29:3)

PX0036-0008

HomeAdvisor also publicly advertises its affiliate program on its website. RX0164 (webpage: “HomeAdvisor’s industry-leading partner program offers aggressive payouts for qualified leads or calls.”). As set forth in detail in Respondent’s statement of facts, affiliates, using a template provided by HomeAdvisor, must advise homeowners submitting service requests that those requests will be matched to service professionals through HomeAdvisor, the affiliates must provide the homeowners with a link to HomeAdvisor’s Privacy Policy and Terms & Conditions, and the affiliate websites must identify their association with HomeAdvisor explicitly. HA-SOF ¶ 149.

84. [REDACTED] and training resources provided by HomeAdvisor to sales agents represent that HomeAdvisor’s leads concern people who knowingly sought HomeAdvisor’s assistance in selecting a service provider. PX0051-0001

[REDACTED]

PX0052-0001 (similar); PX0132-0001 (similar);

PX0111-0006

[REDACTED]

PX0013 at ¶ 2 (“We learned [during sales training] that homeowners completed a 5-7 page form on HomeAdvisor’s website in which they detailed their job.”); PX0014 at ¶ 2 (“In training, the trainers explained that homeowners looking for contractors completed an online application at the HomeAdvisor website.”).

**RESPONSE TO ¶ 84:** Disputed.

Respondent disputes Complaint Counsel’s allegations in cc-SOF ¶ 84, because they incorrectly suggest that HomeAdvisor represents to service providers that all leads they receive will be from homeowners who submitted service requests on HomeAdvisor’s online platform or over the phone to a HomeAdvisor representative, as set forth in detail in Respondent’s statement of facts. HA-SOF ¶¶ 148–51. The cited evidence, including sale scripts and training documents (*i.e.*, PX0051, PX0052, PX0111, and PX0132) and the declarations of Jeffrey Hoppis (PX0013) and John J. Sack

III (PX0014), do not suggest that HomeAdvisor represents to service providers that all leads are generated directly through HomeAdvisor. [REDACTED]

[REDACTED]  
PX0051-0001; PX0052-0001; PX0132-0001.

[REDACTED] Respondent reiterates its response to CC-SOF ¶ 83. As set forth in detail in Respondent's statement of facts, affiliates, using a template provided by HomeAdvisor, must advise homeowners submitting service requests that those requests will be matched to service professionals through HomeAdvisor, the affiliates must provide the homeowners with a link to HomeAdvisor's Privacy Policy and Terms & Conditions, and the affiliate websites must identify their association with HomeAdvisor explicitly. HA-SOF ¶ 149.

HomeAdvisor also disputes this paragraph insofar as it relies on so-called "scripts" because sales agents do not use set scripts or read them verbatim during sales calls with service providers. HA-SOF ¶¶ 12-13; *see, e.g.*, RX0083 27:21-25 [REDACTED]

85. [REDACTED]

[REDACTED] PX0030 (HomeAdvisor/Schott Dep. 87:5-24).

**RESPONSE TO ¶ 85:** Disputed in Part.

Respondent disputes Complaint Counsel's allegations in CC-SOF ¶ 85, because Complaint Counsel mischaracterizes the testimony of HomeAdvisor's corporate witness. In the cited portions of PX0030, the corporate witness stated [REDACTED]

[REDACTED]  
PX0030 (HomeAdvisor/Bergner Dep. 87:5-16)

[REDACTED] Respondent reiterates its response to CC-SOF ¶ 83.

86. HomeAdvisor’s sales agents have regularly represented to service providers that HomeAdvisor’s leads concern people who knowingly sought HomeAdvisor’s assistance in selecting a service provider. PX0014 at ¶ 3 (“We told prospects that if they joined HomeAdvisor, they would receive high quality leads from homeowners who visited the HomeAdvisor website looking for a contractor . . . .”); PX0003 at ¶ 3 (“Mr. Cohen explained that every HomeAdvisor lead is from a homeowner who has contacted HomeAdvisor directly . . . .”); PX0002 at ¶ 3 (“He said the leads were people who had contacted HomeAdvisor directly and were serious about hiring a service provider.”);

[REDACTED]

**RESPONSE TO ¶ 86:** Disputed.

Respondent disputes Complaint Counsel’s allegations in CC-SOF ¶ 86, because they incorrectly suggest that HomeAdvisor represents to service providers that all leads they receive will be from homeowners who submitted service requests on HomeAdvisor’s online platform or over the phone to a HomeAdvisor representative. HA-SOF ¶¶ 148–51. Respondent reiterates its response to CC-SOF ¶ 85.

To the extent that this paragraph references call recordings, the recordings speak for themselves and are the best evidence of the contents of those specific calls, which represent just a few statements—divorced from their context—taken from an unrepresentative and unreliable sample. HA-SOF ¶¶ 106–09; RX0061. HomeAdvisor disputes that any of the statements cited in this paragraph is exemplary of the statements made to HomeAdvisor’s service providers. HA-SOF ¶¶ 106–09; RX0061.

Furthermore, the extent that this paragraph references declarations of certain former HomeAdvisor employees, Respondent have shown that these declarants are not credible witnesses and their testimony implicate disputed material facts that must be resolved by the Administrative Law Judge before any decision on the merits appropriately can be made, as set forth in detail in Respondent’s statement of facts. HA-SOF ¶¶ 88–109. HomeAdvisor further disputes that any of their statements is exemplary of the experience of HomeAdvisor’s service providers.

87.

PX0036-0008

**RESPONSE TO ¶ 87:** Disputed in Part.

Respondent disputes that HomeAdvisor purchase “leads” from affiliates. What HomeAdvisor purchased from affiliates were services requests—not leads—which were then subject to further review by HomeAdvisor before potentially being sold as leads to service providers. Respondent reiterates its response to CC-SOF ¶¶ 3–4.

Respondent also disputes Complaint Counsel’s assertion

See PX0028 (HomeAdvisor/Smith Dep. 28:20–29:3)

PX0036-0008

88.

PX0119-0008

0009

PX0120-0006

PX0094

PX0093-0022

; PX0070-0013

; PX0103-0001

PX0125-0003

PX0090-0001

PX0137 at ¶¶ 4, 5, -0004

(attaching an image of the website [powellandsons.com](http://powellandsons.com) and stating “[Homeowners I spoke with] said that they had submitted a request for a quote to Powell & Sons and were surprised when I told them that I had received their information from HomeAdvisor.”); PX0008 at ¶ 9, -0006 (HomeAdvisor Vice President admitting that “Powell and Sons [and other named entities] are affiliate partners of HomeAdvisor”).

**RESPONSE TO ¶ 88:** Disputed.

Respondent disputes Complaint Counsel’s allegations in CC-SOF ¶ 88, because HomeAdvisor does not purchase “leads” from affiliates and because the cited evidence does not attest to the knowledge or mental status of homeowners when they submitted service requests via affiliates. In

fact, affiliates must obtain the homeowner's agreement to be contacted by HomeAdvisor at the contact information provided by the homeowner in the service request. HA-SOF ¶¶ 148–51; PX0034-0015. To the extent that this paragraph references documents, the documents speak for themselves and are the best evidence of their contents. HomeAdvisor further disputes the assertions in this paragraph to the extent that they reference declarant Jerald Sargent's claims about Powell & Sons, allegations to which HomeAdvisor already provided a thorough, written response explaining that each third-party affiliate website is required to note its connection and sale of service-request information to HomeAdvisor to consumers who use those websites. *See* PX0008 at -0006 to -0010. Moreover,

[REDACTED] RX0015 at 91:6.

89.

[REDACTED]  
PX0028 (HomeAdvisor/Smith Dep. 119:16-25  
[REDACTED], 360:8-17 [REDACTED]  
PX0086-0003; PX0096-0004, -0010; PX0120-0005; PX0124-0013.

**RESPONSE TO ¶ 89:** Disputed.

Respondent disputes Complaint Counsel's allegations in CC-SOF ¶ 89. HomeAdvisor's corporate witness testified

[REDACTED]

*See* HA-SOF ¶¶ 28–73 (discussing HomeAdvisor's quality control processes across sources). Nor does the remainder of the evidence cited in this paragraph, namely a

[REDACTED]

Respondent further disputes the allegations in this paragraph because it ignores that HomeAdvisor employs

[REDACTED]

To the extent that this paragraph references documents, the documents speak for themselves and are the best evidence of their contents.



90. [REDACTED] X0093-0022  
PX0124-0041  
[REDACTED] PX0008 at ¶ 6 (“[I]t was basically like making a cold call; these leads certainly didn’t have the same value as a lead who knew they had entered their information into the HomeAdvisor site and expected a call.”).

**RESPONSE TO ¶ 90:** Disputed.

Respondent disputes Complaint Counsel’s allegations in CC-SOF ¶ 90, because they are predicated on Complaint Counsel’s unsubstantiated conclusion that affiliate-generated leads are of low quality, *see* HA-SOF ¶¶ 28–73 (discussing HomeAdvisor’s quality control processes across sources), and because they are inconsistent with the fact that affiliates must obtain the homeowner’s agreement to be contacted by HomeAdvisor at the contact information provided by the homeowner in the service request. PX0034-0015. Respondent also incorporates its response to CC-SOF ¶¶ 88–89. To the extent that this paragraph references documents, the documents speak for themselves and are the best evidence of their contents.

91. [REDACTED] PX0120-0034.

**RESPONSE TO ¶ 91:** Disputed in part.

Respondent does not dispute that the cited portion of PX0120-0034 states, [REDACTED] Respondent does dispute, however, that this lone slide provides credible evidence to support Complaint Counsel’s conclusion that service providers who receive a [REDACTED] throughout the time period at issue in this litigation, a proposition Complaint Counsel supports with no other evidence, including any actual data regarding service provider attrition or retention, or any substantive analysis of HomeAdvisor’s lead generation and quality control measures.

92. Service providers have complained to [REDACTED] the Better Business Bureau, and to a State Attorney General’s Office upon discovering that HomeAdvisor sold them leads generated by affiliates. PX0129-0002 [REDACTED]

[REDACTED] PX0102-0003  
[REDACTED]; PX0019-0081 (“Home Advisor charges us (contractors) for leads from clients that submit requests through their websites. However, I recently purchased a lead through their platform and the client specifically told me that they had not submitted any requests through home advisor. Instead, the potential client had submitted a posts through craigslist and had not gone into home advisor at all.”), -0160; PX0008 at ¶ 9.

**RESPONSE TO ¶ 92:** Disputed.

Complaint Counsel’s allegations in CC-SOF ¶ 92 presume—without basis or substantiation—that the service providers referenced in CC-SOF ¶ 92 who complained to HomeAdvisor, the BBB, and to a state attorney general’s office, were not previously aware that the leads provided by HomeAdvisor included those generated through affiliates. Respondent reiterates its response to CC-SOF ¶ 88.

Furthermore, the extent that this paragraph references declarations of HomeAdvisor service professionals, Respondent has shown that these declarants are not credible witnesses and their testimony implicate disputed material facts that must be resolved by the Administrative Law Judge before any decision on the merits appropriately can be made. See HA-SOF ¶¶ 88–109. HomeAdvisor further disputes that any of their statements is exemplary of the experience of HomeAdvisor’s service providers.

93.

[REDACTED] PX0034-0023.

**RESPONSE TO ¶ 93:** Respondent does not dispute that one way it has calculated “win rate” was in this manner during the time period at issue, but disputes that it is the only way win rate has been calculated (*see* response to CC-SOF ¶ 95), and notes that the self-reported nature of win-rate data makes it inherently conservative. PX0034-23 [REDACTED]

94.

[REDACTED] PX0034-0023; PX0028 (HomeAdvisor/Smith Dep. 312:1-6).

**RESPONSE TO ¶ 94:** Disputed in part.

Respondent does not dispute [REDACTED] But the cited evidence does not specify that such designations concerned “the leads received during the same time period.” Respondent reiterates its response to CC-SOF ¶ 93.

95.

[REDACTED] PX0034-0023; PX0028 (HomeAdvisor/Smith Dep. 335:19-337:2); PX0083-0017 to -0018; PX0087-0051.

**RESPONSE TO ¶ 95:** Disputed.

Respondent disputes the allegations in this paragraph that HomeAdvisor [REDACTED]

[REDACTED]

96. [REDACTED]  
PX0028 (HomeAdvisor/Smith Dep. 316:5-22).

**RESPONSE TO ¶ 96:** Disputed in part.

Respondent's corporate witness testified within the limits of his personal knowledge and recollection that [REDACTED] and no other evidence is provided by Complaint Counsel to support its allegations in CC-SOF ¶ 96. Nor does Complaint Counsel explain how HomeAdvisor could, in fact, determine actual win data for all leads it sells without conducting an overly costly, inefficient, and time-consuming investigation of the millions of service requests that get sold as leads each year, including an investigation of both the homeowners who submitted those service requests and of the service providers who received those leads, which would be necessary to determine whether every single lead resulted in a won job for a HomeAdvisor service professional, and under what circumstances. Moreover, a service provider's success with its leads, including its resulting win rate, is highly dependent on the service provider's own actions in developing and nurturing its leads, which thus cannot be generalized across all service providers. See HA-SOF ¶¶ 74-81. Respondent furthermore disputes this paragraph to the extent it suggests, with no evidence, that HomeAdvisor's win rate data is in some way erroneous.

97. [REDACTED]; PX0028  
(HomeAdvisor/Smith Dep. 365:13-367:23); PX0083-0017 to -0018.

**RESPONSE TO ¶ 97:** Disputed in part.

Respondent disputes Complaint Counsel's characterization that [REDACTED] to the extent it suggests, with no evidence, that HomeAdvisor's win rate data is in some way erroneous. Respondent incorporates its response to CC-SOF ¶ 96. Respondent, however, does not dispute this paragraph to the extent that win rate data may not reflect service providers' "actual win rate" because this data is not self-reported across every single lead, and thus is a conservative figure, and a service provider's success with its leads, including its resulting win rate,

is highly dependent on the service provider's own actions in developing and nurturing its leads.  
See HA-SOF ¶¶ 74–81.

98.

[REDACTED] PX0034-0023  
PX0055-0048 to -0049  
[REDACTED] PX0028 (HomeAdvisor/Smith Dep. 346:2-347:14  
369:15-371:16  
432:10-21  
[REDACTED] PX0121-0004; PX0122-0005;  
PX0087-0051; PX0088-0036.

**RESPONSE TO ¶ 98:** Disputed.

Respondent disputes Complaint Counsel's allegations in CC-SOF ¶ 98 because, for example, although there is some fluctuation,

[REDACTED] PX0033-

0020; see HA-SOF ¶¶ 74–81, 152–66.

Further, depending on the type of project, [REDACTED] PX0028  
(HomeAdvisor/Smith Dep.) at 432:14–16

[REDACTED]

To the extent that this paragraph references documents, the documents speak for themselves and are the best evidence of their contents.

99.

[REDACTED] PX0054-0006; PX0056  
[REDACTED]; PX0024-0005 [REDACTED] [REDACTED] [REDACTED]; PX0028  
(HomeAdvisor/ Smith Dep. 361:13-362:3 363:13-20  
{(explaining what PX0054 shows)}, 377:25-378:10 442:21-  
443:22  
[REDACTED] PX0121-0009; PX0122-0008.

**RESPONSE TO ¶ 99:** Disputed.

Respondent disputes Complaint Counsel's allegations in CC-SOF ¶ 99, because HomeAdvisor's corporate witness testified [REDACTED]

[REDACTED] PX0030 (HomeAdvisor/ Schott Dep. 147:21–148:4). Although there is some fluctuation, [REDACTED]

[REDACTED] To the extent that this paragraph references documents, the documents speak for themselves and are the best evidence of their contents.

100.

[REDACTED] PX0056

[REDACTED] PX0024-0005

[REDACTED] 377:25-378:10

[REDACTED]; PX0028 (HomeAdvisor/Smith Dep.

[REDACTED] PX0121-0007.

**RESPONSE TO ¶ 100:** Disputed.

Respondent disputes Complaint Counsel's allegations in CC-SOF ¶ 100, because this data does not purport to span the entirety of the relevant time period, and to the extent that this paragraph references documents, the documents speak for themselves and are the best evidence of their contents.

101.

[REDACTED] PX0054-0006; PX0056

[REDACTED] PX0024-0005

[REDACTED] PX0028 (HomeAdvisor/Smith Dep. 361:13-362:3

[REDACTED] 377:25-378:10

[REDACTED]; PX0121-0006; PX0122-0008.

**RESPONSE TO ¶ 101:** Disputed.

Respondent disputes Complaint Counsel's allegations in CC-SOF ¶ 101. See HA-SOF ¶¶ 157–60. [REDACTED]

102.

[REDACTED]  
[REDACTED] PX0042-0021.

**RESPONSE TO ¶ 102:** Disputed in part.

Respondent does not dispute that the cited portion of PX0042 states, [REDACTED]

[REDACTED]

Respondent therefore disputes this paragraph insofar as it ignores the context of these statements.

103.

[REDACTED] PX0049-0002 (emphasis in original); see also PX0030 (HomeAdvisor/Schott Dep. 140:4-22, 150:10-19 [REDACTED] : PX0045-0002 [REDACTED] (emphasis in original).

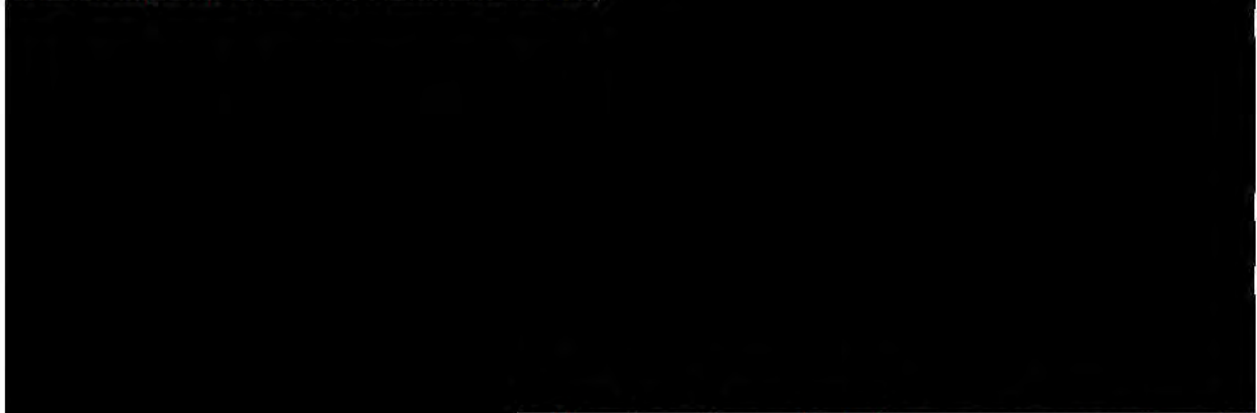
**RESPONSE TO ¶ 103:** Disputed in part.

Respondent admits that PX0049 and PX0045, [REDACTED] state the language cited by Complaint Counsel in CC-SOF ¶ 103, but notes that

[REDACTED] *Id.*; see HA-SOF ¶¶ 74–81, 152–66.

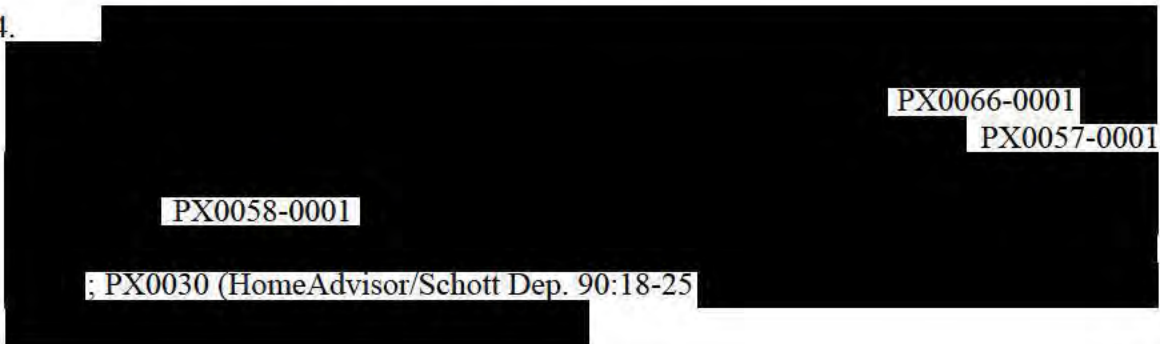
[REDACTED] RX0132 at Interrog. 1.

The cited portion of PX0030 also show that

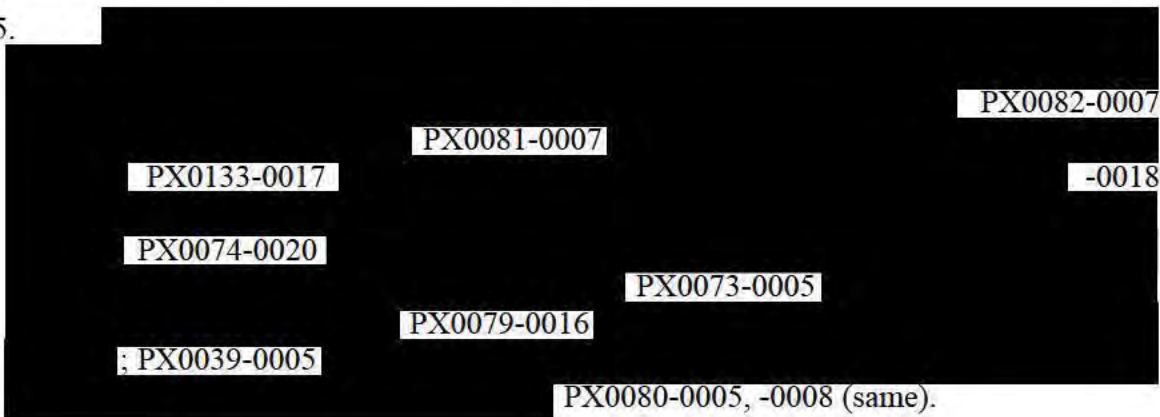


Therefore, Respondent disputes any suggestions that HomeAdvisor has employed the internal win rate metric to support marketing or sales claims on any systemic basis as Complaint Counsel intimates.

104.

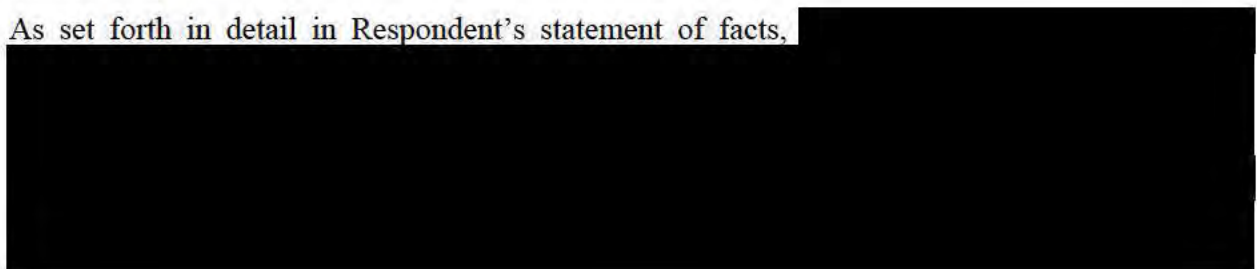


105.



**RESPONSE TO ¶¶ 104–105:** Each disputed in part.

As set forth in detail in Respondent’s statement of facts,



[REDACTED]  
RX0132 at Interrog. 1. Respondent further disputes these paragraphs because they ignore that HomeAdvisor [REDACTED]

[REDACTED] See HA-SOF ¶¶ 155–55. To the extent that this paragraph references documents, the documents speak for themselves and are the best evidence of their contents.

106. HomeAdvisor’s sales agents have [REDACTED] represented to service providers that HomeAdvisor’s leads convert into jobs at rates above what HomeAdvisor’s calculations support. PX0013 at ¶ 9 (“Managers advised us that in most [service provider] trade classifications, 3.2 of 10 leads from HomeAdvisor resulted in jobs. . . . I regularly told prospects, regardless of the trade in which they specialized, that it was likely that 3 to 5 of every 10 leads would result in a job.”); PX0011 at ¶ 3 (“He said that the job conversion rate was 50% to 60%.”); PX0006 at ¶ 3 (“The sales representative said that I would ‘close more jobs than I would lose’ with HomeAdvisor’s leads.”); PX0077-0001 [REDACTED]

107. [REDACTED] Compare [REDACTED] with PX0068-0001 [REDACTED] (emphasis in original), and -0004 [REDACTED] compare [REDACTED] with PX0063-0001, -0006 and -0026 [REDACTED]; compare [REDACTED] with PX0064-0001, -0003 [REDACTED]



[REDACTED] compare [REDACTED]  
with PX0048-0001, -0008  
[REDACTED], and PX0066-0001, -0006  
[REDACTED], and -0021  
[REDACTED], and -0028  
compare  
with PX0069-  
0001, -0004  
[REDACTED].

**RESPONSE TO ¶¶ 106–107:** Each disputed.

HomeAdvisor disputes Complaint Counsel’s allegations in CC-SOF ¶¶ 106-107 because the cited evidence does not substantiate sales agents’ [REDACTED]

[REDACTED] To the extent that this paragraph references call recordings, the recordings speak for themselves and are the best evidence of the contents of those specific calls, which represent just a few statements—divorced from their context—taken from an unrepresentative and unreliable sample. HA-SOF ¶¶ 106–09; RX0061. HomeAdvisor disputes that any of the statements cited in this paragraph is exemplary of the statements made to HomeAdvisor’s service providers. HA-SOF ¶¶ 106–09; RX0061.

[REDACTED]

See HA-SOF ¶¶ 155–55. In fact, PX0077, cited by Complaint Counsel in CC-SOF ¶ 106, only confirms that [REDACTED]

[REDACTED] PX0077-0001; also compare PX0022-4439:19-21, with RX0167 [REDACTED]; compare PX0022-4377:8-11 with RX0168 [REDACTED]

Respondent therefore disputes that HomeAdvisor’s QA process has [REDACTED] or that “sales agents have frequently represented to service providers that HomeAdvisor’s leads convert into jobs at rates above what HomeAdvisor’s calculations support.”

Respondent furthermore disputes these paragraphs because they ignore (1) that HomeAdvisor has consistently represented to service providers is that a “lead” is not a “job,” let alone a “guaranteed job”; (2) that there are numerous factors that can impact the outcome of any sales interaction, including the service provider’s own efforts to develop its leads, [REDACTED]

[REDACTED] and other service providers have acknowledged: (3) [REDACTED] and [REDACTED]

(4) that sales agents do not use set scripts during sales calls with service providers, as set forth in detail in Respondent’s statement of facts. *See, e.g.*, HA-SOF ¶¶ 1–13, 74–81, 88, 164–66.

108.

[REDACTED] PX0108-0001 to -0002; PX0025-0004, -0006 to -0007 [REDACTED]

**RESPONSE TO ¶ 108:** Disputed.

Respondent disputes Complaint Counsel’s allegations in CC-SOF ¶ 108, because the cited evidence, PX0108 (Exit Survey Summary Report), does not support such allegations. In the Exit Survey, the departing service providers are asked, “What was the main reason you left HomeAdvisor?” PX0108-0001; PX0025-0007. [REDACTED]

[REDACTED] PX0108-0001. HomeAdvisor further disputes this paragraph to the extent that it calls for expert testimony on the *reliability* of these survey methods to make broad generalizations about HomeAdvisor’s entire service provider network, which Complaint Counsel does not reference or otherwise provide. *Cf.* HA-SOF ¶¶ 106–109; RX0061.

Respondent furthermore disputes this paragraph because it ignores (1) that HomeAdvisor has consistently represented to service providers is that a “lead” is not a “job,” let alone a “guaranteed job”; (2) that there are numerous factors that can impact the outcome of any sales interaction, including the service provider’s own efforts to develop its leads, [REDACTED] and other service providers have acknowledged; (3) [REDACTED] and

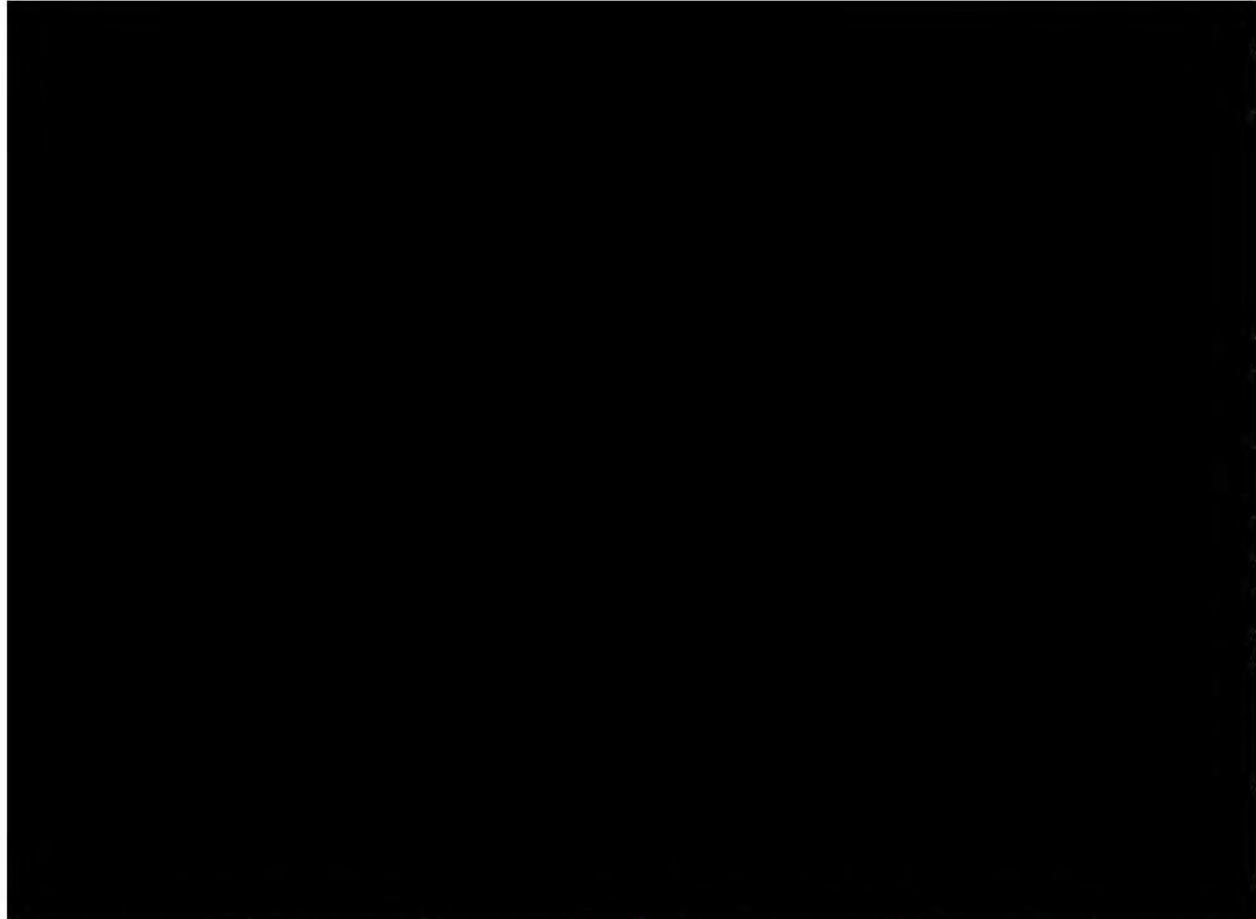
(4) that sales agents do not use set scripts during sales calls with service providers, as set forth in detail in Respondent’s statement of facts. *See, e.g.*, HA-SOF ¶¶ 1–13, 74–81, 88, 164–66.

109.

[REDACTED] PX0110-0002; PX0025-0004 [REDACTED] -0006 [REDACTED]

**RESPONSE TO ¶ 109:** Disputed in Part.

Respondent does not dispute Complaint Counsel’s quotation of the survey responses, but notes that the survey responses were drawn from a small sample of HomeAdvisor’s service providers. *Cf.* HA-SOF ¶¶ 106–109; RX0061. Respondent, however, disputes that HomeAdvisor’s service providers are dissatisfied with their ability to win jobs or return on investment. RX0169 at ‘886, ‘892 [REDACTED]



HomeAdvisor further disputes this paragraph to the extent that it calls for expert testimony on the *reliability* of these survey methods to make broad generalizations about HomeAdvisor’s entire service provider network, which Complaint Counsel does not reference or otherwise provide. *Cf.* HA-SOF ¶¶ 106–09; RX0061.

Respondent furthermore disputes this paragraph because it ignores (1) that HomeAdvisor has consistently represented to service providers is that a “lead” is not a “job,” let alone a “guaranteed job”; (2) that there are numerous factors that can impact the outcome of any sales interaction, including the service provider’s own efforts to develop its leads, [REDACTED] and other service providers have acknowledged; (3) [REDACTED] and (4) that sales agents do not use set scripts during sales calls with service providers, as set forth in detail in Respondent’s statement of facts. *See, e.g.*, HA-SOF ¶¶ 1–13, 74–81, 88, 164–66.

110. Service providers have complained to the Better Business Bureau that they were misled during the sales process into believing that HomeAdvisor’s leads converted into jobs at certain rates. PX0019-0065 (“And final issue is that when i announced to the sale[s] person that we are closing over 80% of our calls/leads and asked what she think the closing rate would be as per the statistics you have she claimed it would be easy to close 50%, i wish this were true 0% was closed.”), -0110 (“[P]art of your pitch to me was also that you had such high conversion success at 60-70% . . . .”), -0142 (“We were originally told the close rate on the leads were 90-95%.”).

**RESPONSE TO ¶ 110:** Disputed.

Respondent disputes Complaint Counsel’s allegations in CC-SOF ¶ 110 because they suggest that HomeAdvisor has made misrepresentations about win rates based on a handful of out-of-context anecdotes. The BBB complaints speak for themselves and are the best evidence of their contents. HomeAdvisor disputes that any of the statements is exemplary of the experience of HomeAdvisor’s service providers.

Respondent furthermore disputes this paragraph because it ignores (1) that HomeAdvisor has consistently represented to service providers is that a “lead” is not a “job,” let alone a “guaranteed job”; (2) that there are numerous factors that can impact the outcome of any sales interaction, including the service provider’s own efforts to develop its leads, [REDACTED] and other service providers have acknowledged; (3) [REDACTED] and (4) that sales agents do not use set scripts during sales calls with service providers, as set forth in detail in Respondent’s statement of facts. *See, e.g.*, HA-SOF ¶¶ 1–13, 74–81, 88, 164–66.

111.

[REDACTED] PX0029 (HomeAdvisor/Bergner Dep. 146:6-12).

**RESPONSE TO ¶ 111:** Respondent does not dispute that HomeAdvisor’s corporate witness testified as such, [REDACTED]

[REDACTED] HA-SOF ¶ 167; PX0036-0018 to -0019.

112.

[REDACTED] PX0051-0003; PX0052-0003; PX0132-0003.

**RESPONSE TO ¶ 112:** Disputed in Part.

While the cited materials contain the quoted material in CC-SOF ¶ 112, they do not evidence that service providers were not presented with the option not to purchase mHelpDesk. Respondent also notes that the cited sales scripts were not intended to be read verbatim during sales calls. HA-SOF ¶¶ 12–13; *see, e.g.*, RX0083 at 27:21–25 [REDACTED]

[REDACTED]

Instead, each sales call is unique, as the needs, questions, circumstances, and markets of each service provider inherently differ. RX0010 at 110–11 [REDACTED]

[REDACTED]

During the time period mHelpDesk was offered to prospective service providers, it was possible for service providers to purchase a HomeAdvisor membership that did *not* include a one-month subscription to mHelpDesk. PX0029 (HomeAdvisor/Bergner Dep. 125:16–19); PX0044-0005 to -0006 [REDACTED]

[REDACTED] HA-SOF ¶ 170.

Further, HomeAdvisor did not condone the statements about mHelpDesk reference in CC-SOF ¶ 112. RX0163 (2019 New Hire Workbook) at ‘890 [REDACTED]

[REDACTED]

113. [REDACTED]

[REDACTED] PX0126-0003 (emphasis in original); PX0127-0002; PX0128-0002; PX0130-0009.

**RESPONSE TO ¶ 113:** Disputed in Part.

Respondent admits that the cited documents state, [REDACTED]  
[REDACTED] Respondent disputes Complaint Counsel’s allegations in CC-

SOF ¶ 113, because they claim, without substantiation, that the option not to purchase mHelpDesk was available only in “limited circumstances.” PX0029 (HomeAdvisor/Bergner Dep. 125:16–19)

[REDACTED] Respondent reiterates its response to CC-SOF ¶ 112. *See also* HA-SOF ¶¶ 168, 172.

114.

[REDACTED] PX0043-0004;  
PX0029 (HomeAdvisor/Bergner Dep. 126:7-127:15, 129:19-130:6).

**RESPONSE TO ¶ 114:** Disputed in Part.

Respondent admits that [REDACTED]

[REDACTED] HomeAdvisor disputes this paragraph to the extent it implies that every single email to service providers during the time period at issue confirming their membership purchase contained the above language, which the cited testimony does not establish. HomeAdvisor further disputes this paragraph to the extent it does not acknowledge that [REDACTED]

[REDACTED] PX0029 (HomeAdvisor/Bergner Dep. 129:19–130:6). Complaint Counsel offered no evidence that such a phrase was used after February 23, 2016, and the testimony of HomeAdvisor’s corporate witness confirms that upon review, HomeAdvisor revised the cited statement. HomeAdvisor thus disputes that any of the statements is exemplary of the experience of HomeAdvisor’s service providers.

HomeAdvisor further disputes this paragraph because it ignores that HomeAdvisor’s sales training materials provided that [REDACTED]

[REDACTED] as set forth in detail in Respondent’s statement of facts. HA-SOF ¶ 170.

115.

[REDACTED]

116.

[REDACTED] PX0030  
(HomeAdvisor/Schott Dep. 140:4-22, 144:12-145:8); PX0049-0002  
[REDACTED] (emphasis in original); compare  
[REDACTED] with PX0061-0001, -0006  
[REDACTED]; compare  
[REDACTED], with PX0062-0001, -0006  
[REDACTED] compare  
[REDACTED], with PX0065-0001,  
[REDACTED]-0006; compare  
[REDACTED]  
[REDACTED] with PX0063-0001, -0006  
[REDACTED] and -0026  
[REDACTED] compare  
[REDACTED] with PX0067-0001  
[REDACTED] and -0005  
[REDACTED] compare  
[REDACTED] with PX0076-0001, -0007

**RESPONSE TO ¶¶ 115–116:** Each disputed.

HomeAdvisor disputes Complaint Counsel’s allegations in CC-SOF ¶¶ 115–116, because before [REDACTED] as set forth in detail in Respondent’s statement of facts. HA-SOF ¶ 170.

The cited portion of PX0049-0002 [REDACTED]

[REDACTED]

To the extent that this paragraph references call recordings, the recordings speak for themselves and are the best evidence of the contents of those specific calls, which represent just a few statements—divorced from their context—taken from an unrepresentative and unreliable sample. HA-SOF ¶¶ 106–09. HomeAdvisor disputes that any of the statements cited in this paragraph is exemplary of the statements made to HomeAdvisor’s service providers. HA-SOF ¶¶ 106–09; RX0061.

117. In numerous instances, service providers have thought that their first month of mHelpDesk was free. PX0098-0002 [REDACTED]

PX0123-0001

PX0100-0010

PX0019-0061 (“I signed up for marketing services for my business paying a fee of \$347.98 with 1 month free of help desk. According to the receipt I received from Home Advisor via email.”), -0084 (“When I signed up with home advisor they gave 30day free trial called myhelpdesk.”), -0087 (“With this \$347.98 came a 1 month free Mhelp desk that costs \$59.99 per month.”), -0096 (“I signed up with Home Advisor and was offered mHelpdesk as a free trial . . .”), -0099 (“I was told I could turn off M help desk after the 30 day free trial.”), -0136 (“I was also charged for months for a service in which I never requested or used mHelpdesk. In fact a representative for that service called me and asked if I wanted to keep it after the free trial and I told her no I will not use it . . .”).

**RESPONSE TO ¶ 117:** Disputed.

Respondent disputes Complaint Counsel’s allegations in CC-SOF ¶ 117, because they use the vague and undefined term, “numerous,” do not specify the relevant timeframe, and provide no evidence that the handful of cited statements are representative of service providers’ experience with HomeAdvisor. For instance, PX0098 [REDACTED]

[REDACTED] PX0029 (HomeAdvisor/Bergner Dep. 129:19–130:6). Respondent reiterates its response to CC-SOF ¶ 114. To the extent that this paragraph references documents, the documents speak for themselves and are the best evidence of their contents. HomeAdvisor further disputes this paragraph because it ignores that [REDACTED]

[REDACTED] as set forth in detail in Respondent’s statement of facts, as set forth in detail in Respondent’s statement of facts. HA-SOF ¶ 170.



118.

[REDACTED]  
[REDACTED] PX0053; PX0029 (HomeAdvisor/Bergner  
Dep. 148:22-149:15 [REDACTED], 152:21-153:15  
(same)).

**RESPONSE TO ¶ 118:** Disputed in part.

Respondent disputes this paragraph because, while the manner in which Complaint Counsel interprets the table in PX0053 is consistent with what HomeAdvisor's corporate witness testified, Respondent disputes the implication that this lack of engagement proves any fact or warrants any inference other than the lack of use of mHelpDesk itself.

Respectfully submitted,

Dated: June 6, 2022

**QUINN EMANUEL URQUHART  
& SULLIVAN, LLP**

Stephen R. Neuwirth  
Jennifer J. Barrett  
Kathryn D. Bonacorsi  
Neil T. Phillips  
George T. Phillips  
51 Madison Avenue, 22nd Floor  
New York, NY 10010  
(212) 849-7000  
stephenneuwirth@quinnemanuel.com  
jenniferbarrett@quinnemanuel.com  
kathrynbacorsi@quinnemanuel.com  
neilphillips@quinnemanuel.com  
georgephillips@quinnemanuel.com

/s/ William A. Burck  
William A. Burck  
Dawn Y. Yamane Hewett  
Kyra R. Simon  
1300 I Street NW, 9th Floor  
Washington, DC 20005  
(202) 538-8000  
williamburck@quinnemanuel.com  
dawnhewett@quinnemanuel.com  
kyrasimon@quinnemanuel.com

*Counsel to Respondent HomeAdvisor, Inc.*

**UNITED STATES OF AMERICA  
BEFORE THE FEDERAL TRADE COMMISSION**

**COMMISSIONERS:**     **Lina M. Khan, Chair**  
                               **Noah Joshua Phillips**  
                               **Rebecca Kelly Slaughter**  
                               **Christine S. Wilson**  
                               **Alvaro M. Bedoya**

<p><b>In the Matter of HOMEADVISOR, INC.,</b>                <b>a corporation,</b>                <b>d/b/a ANGI LEADS,</b>                <b>d/b/a HOMEADVISOR POWERED BY ANGI.</b></p>
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Docket No. 9407

**DECLARATION OF JENNIFER J. BARRETT**

1. I am an partner of the law firm Quinn Emanuel Urquhart & Sullivan, LLP, counsel to Respondent HomeAdvisor, Inc. in this proceeding.
2. Attached to this declaration are true and correct copies of exhibits **RX0001** through **RX0187**, submitted in opposition to Complaint Counsel’s Motion for Summary Decision in this matter. Certain of these exhibits are spreadsheets, the cited portions of which have been exported to .pdf format.
3. The below index itemizes each exhibit. The “Description” column describes that exhibit or notes the Bates number on the first page of that exhibit.

**Index of Respondent’s Exhibits**

<b>EXHIBIT</b>	<b>DESCRIPTION</b>
RX0001	6/6/2022 Expert Report of Carlos Hidalgo
RX0002	6/6/2022 Declaration of Thomas Hofner and Appendices and Exhibits Thereto
RX0003	Christina Alvarez Deposition Transcript
RX0004	Amy Brannon-Quale Deposition Transcript
RX0005	Connor Geiran Deposition Transcript
RX0006	Trenton Grimes Deposition Transcript

<b>EXHIBIT</b>	<b>DESCRIPTION</b>
RX0007	Kelly Hopkins Deposition Transcript
RX0008	Jeffrey Hoppis Deposition Transcript
RX0009	Kenneth Kelly Deposition Transcript
RX0010	Eva Moser Deposition Transcript
RX0011	Bill Nash Deposition Transcript (both days combined)
RX0012	Richard Prince Deposition Transcript
RX0013	Mark Rothermel Deposition Transcript
RX0014	John J. Sack III Deposition Transcript
RX0015	Jerald Sargent Deposition Transcript
RX0016	Joanna Sawicz Deposition Transcript
RX0017	Christina Wilson Deposition Transcript
RX0018	Ronda Winfield Deposition Transcript
RX0019	Eric Winker Deposition Transcript
RX0020	Daniel Wade Deposition Transcript
RX0021	K. Hopkins Cancellation Emails
RX0022	FTC_HOMEADVISOR0009265
RX0023	K. Hopkins Lead Log
RX0024	K. Hopkins Dep. Ex. 5
RX0025	K. Hopkins Dep. Ex. 6
RX0026	K. Hopkins Dep. Ex. 2
RX0027	K. Hopkins Dep. Ex. 3
RX0028	R. Prince Dep. Ex. 4
RX0029	R. Prince Dep. Ex. 13
RX0030	J. Sargent Dep. Ex. 4
RX0031	J. Sargent Lead Log showing credits requested
RX0032	FTC_HOMEADVISOR0009258 (with metadata sheet)
RX0033	FTC_HOMEADVISOR0009263
RX0034	R. Winfield Dep. Ex. 2
RX0035	R. Winfield Dep. Ex. 3
RX0036	R. Winfield Dep. Ex. 4
RX0037	R. Winfield Dep. Ex. 5
RX0038	J. Hoppis Dep. Ex. 1
RX0039	J. Hoppis Dep. Ex. 2
RX0040	J. Hoppis Dep. Ex. 3

<b>EXHIBIT</b>	<b>DESCRIPTION</b>
RX0041	J. Hoppis Dep. Ex. 4
RX0042	J. Hoppis Dep. Ex. 7
RX0043	J. Hoppis Dep. Ex. 8
RX0044	J. Hoppis Dep. Ex. 10
RX0045	J. Hoppis Dep. Ex. 11
RX0046	J. Sawicz Dep. Ex. 1
RX0047	██████████ FTC Civil Investigative Demand to HomeAdvisor
RX0048	HomeAdvisor's Answer & Defenses (non-public)
RX0049	E. Winker Dep. Ex. 7
RX0050	E. Winker Dep. Ex. 8
RX0051	E. Winker Dep. Ex. 9
RX0052	E. Winker Dep. Ex. 10
RX0053	E. Winker Dep. Ex. 11
RX0054	E. Winker Dep. Ex. 12
RX0055	E. Winker Dep. Ex. 13
RX0056	E. Winker Dep. Ex. 14
RX0057	E. Winker Dep. Ex. 15
RX0058	E. Winker Dep. Ex. 16
RX0059	E. Winker Dep. Ex. 17
RX0060	R. Winfield Dep. Ex. 6
RX0061	6/6/2022 Declaration of Jamie McClave Baldwin, Ph.D
RX0062	Paul Zeckser Deposition Transcript
RX0063	HomeAdvisor Website FAQs
RX0064	John Martin Deposition Transcript
RX0065	James Downey Declaration
RX0066	Lorraine Brock Declaration
RX0067	Mark Himmel Declaration
RX0068	Michael Mauno Declaration
RX0069	Mike Minietta Declaration
RX0070	Neil Satterlee Declaration
RX0071	Reid Gravitte Declaration
RX0072	HomeAdvisor Start a Project Webpage
RX0073	6/13/2019 Jamie Cohen Deposition Transcript
RX0074	5/10/2022 Angi Form 10-Q

<b>EXHIBIT</b>	<b>DESCRIPTION</b>
RX0075	HOMEADVISOR_FTC0019251
RX0076	Diana Boyles Deposition Transcript
RX0077	Release – IAC’s HomeAdvisor to Combine with Angie’s List
RX0078	K. Hopkins Example New Lead Email
RX0079	HomeAdvisor Pro Directory Search Webpage
RX0080	11/2/2018 Declaration of Ryan Sullivan
RX0081	Brad Fosser Deposition Transcript
RX0082	Ryan Weiss Deposition Transcript
RX0083	Sean Miller Deposition Transcript
RX0084	How to Run a Successful Business for Decades Webpage
RX0085	Joshua Lent Deposition Transcript
RX0086	11/23/2020 Jennifer Bergner Hearing Transcript
RX0087	Charles Schott Deposition Transcript
RX0088	10/18/2018 Declaration of Ryan Sullivan
RX0089	HOMEADVISOR_FTC0005587
RX0090	HOMEADVISOR_FTC0005588
RX0091	HomeAdvisor FAQs Webpage
RX0092	Terms & Conditions for Pros Webpage
RX0093	Nash Dep. Ex. 16
RX0094	HomeAdvisor’s Contractor Screening Process Webpage
RX0095	6/2/2022 Declaration of Michael Metzger and Exhibits Thereto
RX0096	SP Key Provisions
RX0097	Melissa Brown Deposition Transcript
RX0098	C. Schott Investigative Hearing Ex. 11
RX0099	11/24/2020 Chad Schott Hearing Transcript
RX0100	HOMEADVISOR_FTC0004776
RX0101	Joseph Puccio Deposition Transcript
RX0102	8/11/2017 Ryan Sullivan Deposition Transcript
RX0103	HomeAdvisor 3d Am. Responses to 2d Set of Interrogs. (D. Colo.)
RX0104	HomeAdvisor Am. Response to 5/12/2021 Interrog. (D. Colo)
RX0105	HOMEADVISOR_FTC0022898
RX0106	HOMEADVISOR_FTC0006085
RX0107	HOMEADVISOR_FTC0019241
RX0108	<i>Intentionally Omitted</i>

<b>EXHIBIT</b>	<b>DESCRIPTION</b>
RX0109	<i>Intentionally Omitted</i>
RX0110	Brett Pihl Deposition Transcript
RX0111	HOMEADVISOR_FTC0070061
RX0112	Blake Eggemeyer Deposition Transcript
RX0113	HOMEADVISOR_FTC0010949
RX0114	Angi Lead Credit Guidelines Webpage
RX0115	11/17/2020 Craig Smith Hearing Transcript
RX0116	How HomeAdvisor Works for Contractors Webpage
RX0117	ESILAB-00000349 and ESILAB_00000355
RX0118	HomeAdvisor 12/13/2019 Responses to FTC Interrogs.
RX0119	HOMEADVISOR_FTC0005334
RX0120	HOMEADVISOR_FTC0088976
RX0121	Tiffany Bierschank Deposition Transcript
RX0122	J. Bergner Transcript Ex. 14
RX0123	HOMEADVISOR_FTC0034101
RX0124	HOMEADVISOR_FTC0041756
RX0125	HOMEADVISOR_FTC0005590
RX0126	Angi Leads – Instant Booking Webpage
RX0127	HOMEADVISOR_FTC0087274
RX0128	HOMEADVISOR_FTC0089291
RX0129	HOMEADVISOR_FTC0008965
RX0130	HOMEADVISOR_FTC0005124
RX0131	12/15/2020 Craig Smith Hearing Transcript
RX0132	HomeAdvisor 12/10/2020 Responses to FTC Interrogs.
RX0133	HOMEADVISOR_FTC0087266
RX0134	HOMEADVISOR_FTC0046530
RX0135	HOMEADVISOR_FTC0004942
RX0136	HOMEADVISOR_FTC0011445
RX0137	HOMEADVISOR_FTC0012456
RX0138	HOMEADVISOR_FTC0012460
RX0139	HOMEADVISOR_FTC0016423
RX0140	HOMEADVISOR_FTC0017088
RX0141	HOMEADVISOR_FTC0017092
RX0142	HOMEADVISOR_FTC0000436

<b>EXHIBIT</b>	<b>DESCRIPTION</b>
RX0143	FTC_HOMEADVISOR0097261
RX0144	FTC_HOMEADVISOR0097272
RX0145	FTC_HOMEADVISOR0097265
RX0146	FTC_HOMEADVISOR0097353
RX0147	FTC_HOMEADVISOR0097282
RX0148	FTC_HOMEADVISOR0009466
RX0149	FTC_HOMEADVISOR0009454
RX0150	HOMEADVISOR_FTC0018426
RX0151	<i>Intentionally Omitted</i>
RX0152	HOMEADVISOR_FTC0019257
RX0153	HOMEADVISOR_FTC0004023
RX0154	HomeAdvisor Response to 5/20/2020 FTC Interrogs.
RX0155	HOMEADVISOR_FTC0029288
RX0156	HOMEADVISOR_FTC0048184
RX0157	HomeAdvisor Responses to 6/12/2020 FTC Document Requests
RX0158	HomeAdvisor Responses to 1/15/2021 FTC Inquiries
RX0159	HOMEADVISOR_FTC0087269
RX0160	HOMEADVISOR_FTC0029370
RX0161	<i>Intentionally Omitted</i>
RX0162	FTC_HOMEADVISOR0095988
RX0163	HOMEADVISOR_FTC0040853
RX0164	HomeAdvisor Affiliate Program Webpage
RX0165	<i>Intentionally Omitted</i>
RX0166	HOMEADVISOR_FTC0017267
RX0167	HOMEADVISOR_FTC0016763
RX0168	HOMEADVISOR_FTC0016372
RX0169	HOMEADVISOR_FTC0044886
RX0170	HOMEADVISOR_FTC0005369
RX0171	HOMEADVISOR_FTC0004351
RX0172	HOMEADVISOR_FTC0004559
RX0173	HOMEADVISOR_FTC0005264
RX0174	HOMEADVISOR_FTC0012279
RX0175	HOMEADVISOR_FTC0087212
RX0176	HOMEADVISOR_FTC0087202

<b>EXHIBIT</b>	<b>DESCRIPTION</b>
RX0177	6/6/2019 Matt Zurcher Deposition Transcript
RX0178	Michael Mentzel Deposition Transcript
RX0179	J. Puccio Dep. Ex. 1258
RX0180	M. Mentzel Dep. Ex. 182
RX0181	D. Wade Dep. Ex. 23
RX0182	C. Alvarez Dep. Ex. 15
RX0183	C. Alvarez Dep. Ex. 16
RX0184	Complaint Counsel's First Set of Document Requests
RX0185	Complaint Counsel's First Set of Interrogatories
RX0186	D. Wade Dep. Ex. 25
RX0187	Chart of Bates number cross-references for Mr. Hidalgo's Expert Report

4. Sensitive personal address information has been redacted from deposition transcripts under 16 C.F.R. § 4.2(c)(3).

5. A native audio or .wav file for **RX0147** will be provided separately to the Commission, the Administrative Law Judge, and Complaint Counsel.

I declare under penalty of perjury that to the best of my knowledge and belief the foregoing is true and correct.

Executed On: June 6, 2022

By:           /s/ Jennifer J. Barrett            
Jennifer J. Barrett



**RX0001**

*(Submitted In Camera)*

**RX0002**

*(Submitted In Camera)*

**RX0003**

*(Submitted In Camera)*

**RX0004**

*(Submitted In Camera)*

**RX0005**

*(Submitted In Camera)*

**RX0006**

*(Submitted In Camera)*

**RX0007**

*(Submitted In Camera)*

**RX0008**

*(Submitted In Camera)*



**RX0009**

*(Submitted In Camera)*

**RX0010**

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**RX0045**

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**RX0050**

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**RX0051**

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**RX0057**

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**RX0058**

*(Submitted In Camera)*

**RX0059**

*(Submitted In Camera)*

**RX0060**

*(Submitted In Camera)*

**RX0061**

*(Submitted In Camera)*

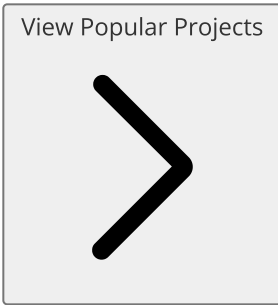
**RX0062**

*(Submitted In Camera)*

**RX0063**



• [Start a Project](#)

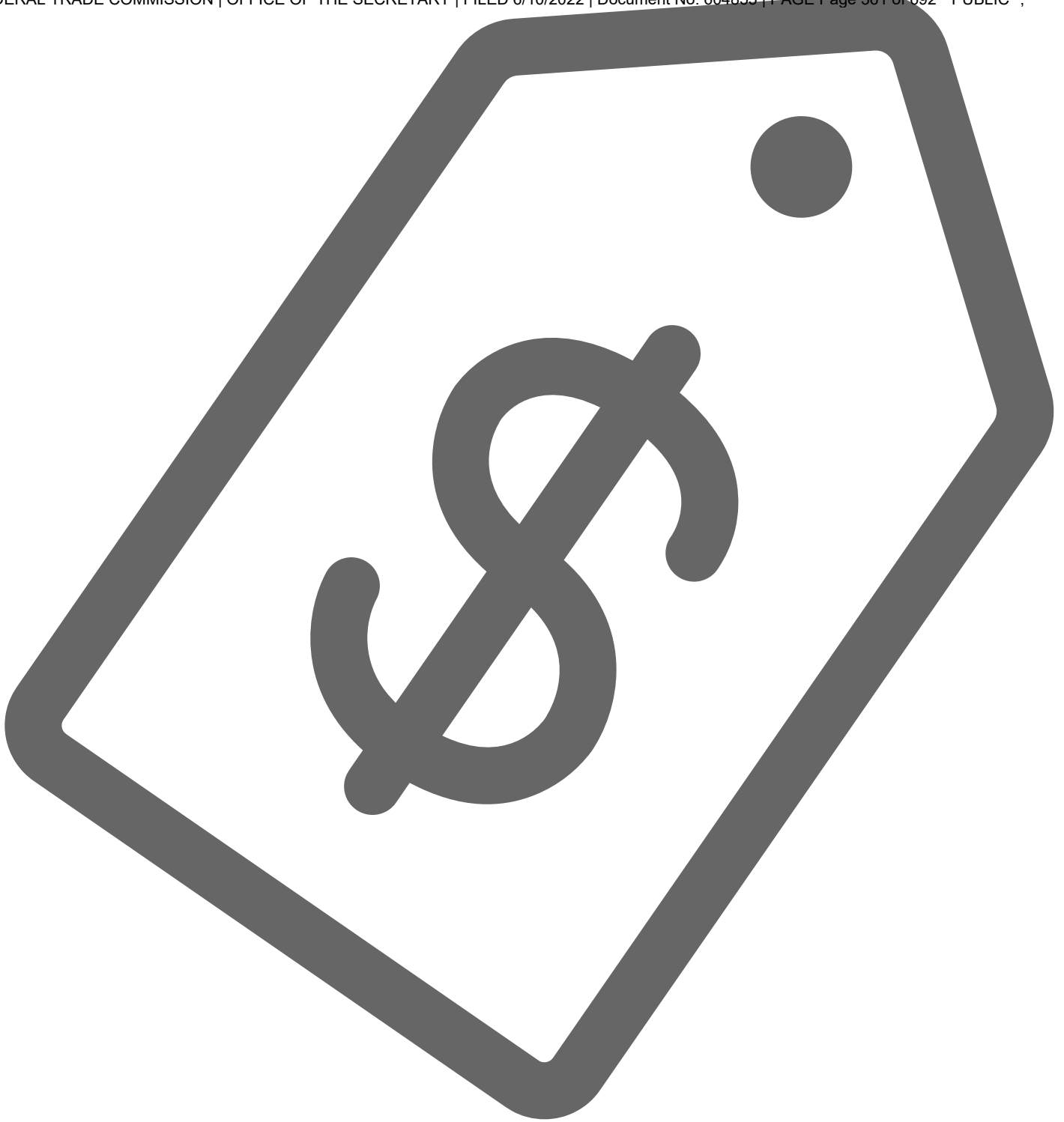


### Most Popular Projects

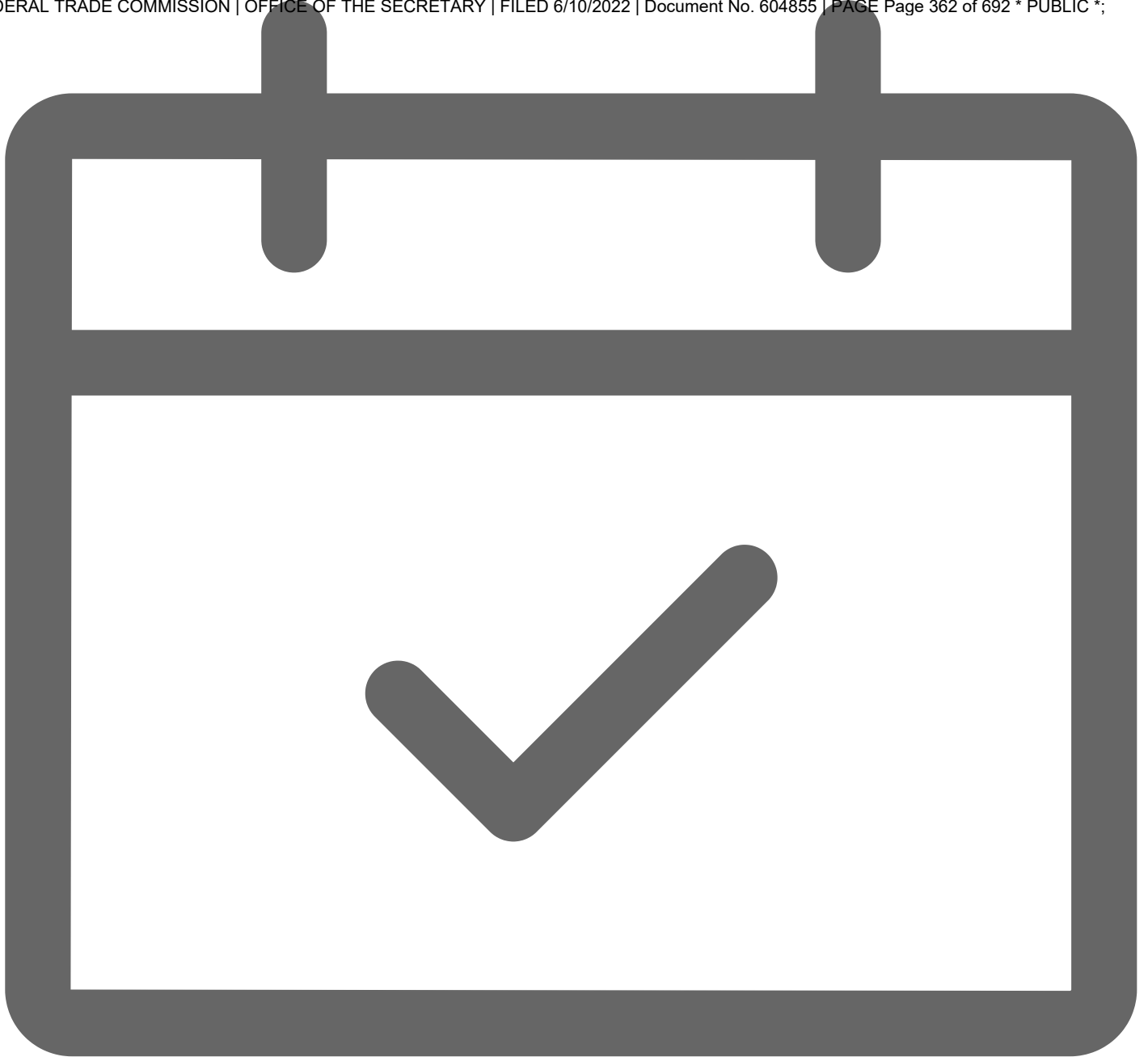
- [Additions & Remodeling](#)
- [Air Conditioning & Cooling](#)
- [Bathroom Remodeling](#)
- [Builders \(New Homes\)](#)
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- [Carpentry](#)
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- [Ceiling Installation](#)
- [Cleaning Services](#)
- [Concrete](#)
- [Countertop Installation](#)
- [Decks](#)
- [Decorators & Designers](#)
- [Door Installation](#)
- [Driveways](#)
- [Drywall & Insulation](#)
- [Electrical](#)
- [Fences](#)
- [Flooring](#)
- [Foundation Installation](#)
- [Garages](#)
- [Gutters](#)
- [Handyman Services](#)
- [Heating & Cooling](#)
- [Kitchen Remodeling](#)
- [Landscaping](#)
- [Lawn Care](#)
- [Painting](#)
- [Plumbing](#)
- [Roofing Services](#)
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- [Log Out](#)

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# Research

- [Read Reviews>](#)
- [View Costs>](#)
- [View Pros Near You>](#)



## Popular Review Categories

- Additions & Remodeling
- Air Conditioning
- Brick & Stone
- Carpenters
- Carpet & Upholstery Cleaning
- Cleaning & Maid Services
- Concrete
- Decks
- Drywall & Plaster
- Electrical
- Fences
- Flooring & Carpet
- Foundations
- Gutters
- Handyman Services
- Heating & Furnace Systems
- Home Inspection
- Insulation
- Landscaping
- Lawn & Garden Care
- Mold & Asbestos Services
- Painting
- Pest Control
- Plumbing
- Roofing
- Siding
- Swimming Pools
- Tile
- Tree Service
- Windows

[See All Categories](#)

### Top Projects

- Basement Remodel
- Bathroom Remodel
- Central A/C Install
- Foundation Repair
- Junk Removal
- Kitchen Remodel
- Lawn Mowing
- Major Home Repairs
- Sunroom Construction

◦ **Write a Review**

Help your neighbors make an informed decision. Your opinion matters!

[Review a Pro](#)



## True Cost Guide

- AC Repair Cost
- AC Unit Cost
- Basement Costs
- Bathroom Remodel Cost
- Cabinet Installation Cost
- Carpentry Framing Cost
- Carpet Installation Cost
- Cleaning Service Cost
- Cost to Add a Bathroom
- Cost to Build a House
- Cost to Build a Kitchen
- Cost to Build an Outbuilding
- Cost to Hire a Painter
- Cost to Insulate a House
- Cost to Paint a House
- Cost to Plant a Tree
- Countertop Installation Cost
- Door & Window Costs
- Electrician Prices List
- Fence Installation Cost
- Fencing Costs
- Flooring Installation Cost
- Foundation Repair Cost
- Furnace Installation Cost
- Gutter Cleaning Cost
- Handyman Price List
- Hardwood Flooring Cost
- Home Addition Cost
- Home Extension Cost
- House Siding Cost
- HVAC Replacement Cost
- Inground Pool Cost
- Interior Painting Cost
- Kitchen Remodel Cost
- Landscaping Costs
- Lawn Care Cost
- Maid Service Cost
- Plumbing Costs
- Pool with Hot Tub Cost
- Porch & Deck Costs
- Roofing Costs
- Roof Replacement Cost
- Stair & Railing Costs

- Tree Removal Cost
- Water Heater Replacement Cost
- Window Installation Cost
- See All Categories

- Plan Your Project

Find hiring guides, material costs, expert advice, how-to's and more.

[Resource Center](#)



## Pros Near You

- AC Repair
- Appliance Repair
- Arborists
- Bathroom Remodeling
- Carpenters
- Carpet Cleaning
- Ceiling Fan Repair
- Computer Repair
- Deck Builders
- Driveway Paving
- Driveway Sealing
- Drywall Installers
- Electricians
- Fence Installers
- Flooring Companies
- Garage Door Install
- Garage Door Repair
- General Contractors
- Gutter Cleaning
- Gutter Installers
- HVAC Contractors
- HVAC Repair
- Handyman Services
- House Cleaning
- Landscapers
- Lawn Care
- Lawn Mowing
- Moving Companies
- Painters
- Pest Control
- Plumbers
- Pool Builders
- Roofers
- Septic Tank Cleaning
- Soil Delivery
- Tile Contractors
- Tree Removal
- Window Glass Repair
- Window Installers
- Window Repair

[See All Categories Near You](#)

## Download HomeAdvisor's Free App



[Home](#) > [FAQs](#)

# Frequently Asked Questions

## About HomeAdvisor

### Why should I feel confident that HomeAdvisor can help me? —

We've helped make millions of matches between consumers and service professionals and we give you the advantage of 70+ years of accumulated knowledge in the home services industry. From our proprietary matching service, to the more than 1,200 home related articles on our website, we offer the most comprehensive Internet tool available to consumers looking for home services, plus a growing portfolio of local services.

### How long has HomeAdvisor been doing this? —

HomeAdvisor was founded in December 1998. We've grown by teaming with other local companies like our own to give us a base of experience stretching back as far as 1980, and a proven track record you can count on.

### What cities does HomeAdvisor service? —

Our member service professionals cover all major metropolitan areas in the U.S. and parts of Canada. Our Web site also covers the entire United States with a directory of screened and approved service professionals.

### What is HomeAdvisor's Code of Conduct? —

We expect all our users to uphold our core values: be respectful, be fair, be professional, be honest, be reliable, and be inclusive. [Click here to view our full Code of Conduct.](#)

## The Benefits of HomeAdvisor

Our network includes service professionals skilled in more than 500 home-related services, from house cleaning to remodeling, plus a growing directory of local services.

---

### **How can HomeAdvisor match me with the right service professional?**

To find the right service professional, you first submit a brief description of your service needs by answering a series of questions in a HomeAdvisor interview. This interview not only helps us understand your expectations, but it lets you carefully consider all the aspects of your project. HomeAdvisor then matches your specific need with the defined skills of a select group of service professionals. The result is a match between the right consumer and the right service professional.

[Find pros from HomeAdvisor here.](#)

---

### **Am I obligated to use HomeAdvisor professionals?**

No. We provide professionals matched to your need and interested in your job, but the final choice is up to you.

---

### **How do I know I'm getting the right service professional?**

HomeAdvisor's service professionals are thoroughly screened before being included in our network, so you can be confident in your selection. You can also use profile information and ratings and reviews from past customers to help decide who's best for you. Our mission is to create a better connection between the right consumer and the right service professional. We want you to get your job done right!

---

## **Ratings & Reviews**

### **What are Ratings & Reviews?**

Ratings & Reviews are perhaps the most important service we offer to our users. They help us keep track of the quality of service provided by our member service professionals. For all requests you place with HomeAdvisor, you'll be asked to submit Ratings & Reviews for the service professionals you are presented. When you do, you not only help other consumers make the right choice, you also contribute to the overall quality of service we offer.

[Click here for a Ratings & Reviews sample.](#)

---

### **When do I submit a Ratings & Reviews survey?**

When you're ready. Because it's hard for us to know exactly when your job is done, we may ask you to submit your Ratings & Reviews before you're ready. Once your job is complete, you can always visit the HomeAdvisor website to close your job



---

## About Our Web Site

### What is "My HomeAdvisor" and how do I use it? —

"My HomeAdvisor" is your personal space on our website where HomeAdvisor keeps your profile information secure for you. This is the place for you to:

- Review your Service Requests
- Review your previously matched Pros
- Add your new address, phone number or e-mail address to your personal profile.
- Change your password or property profile information.

[Log in to "My HomeAdvisor" here.](#)

---

### What will I find within the Resource Center? —

Our [Resource Center](#) is home to hundreds of articles, pictures, videos and project tools providing insights and advice across a wide variety of topics. You can read articles, get advice from your neighbors and industry experts and discover tips to help you choose the best local service professionals.

---

## Managing Your Relationship with a Service Professional

### What if I change my mind and want to cancel a project or contract? —

The decision to cancel a project contract will have to be worked out between you and the service professional. Expect to pay for work and materials performed up to that point. We ask that you remember to come back to our website to complete your Ratings & Reviews survey.

---

### Will HomeAdvisor cancel a service professional's member status upon receiving a customer complaint? —

Your feedback is vital to the quality of service our member professionals provide. As with any credible grievance process, we first evaluate both sides of the story before making a final decision. Often, an unpleasant experience is the result of a simple misunderstanding between the two parties. However, if there is a negative trend against the service professional, we reserve the right to remove a service professional from our network.

## Our Screening Process

**What criteria is a service professional required to meet before becoming a member of the HomeAdvisor network?** —

View our [Contractor Screening Process](#).

---

## Pricing

**How does HomeAdvisor get paid if this is a free service?** —

You are not charged for this service because service professionals pay advertising fees to participate in HomeAdvisor's network. Service professionals specify the type of work they do and the geography they serve. HomeAdvisor provides new customer leads that match these requests and service professionals pay a fee for each lead they receive. These fees do not affect your estimate.

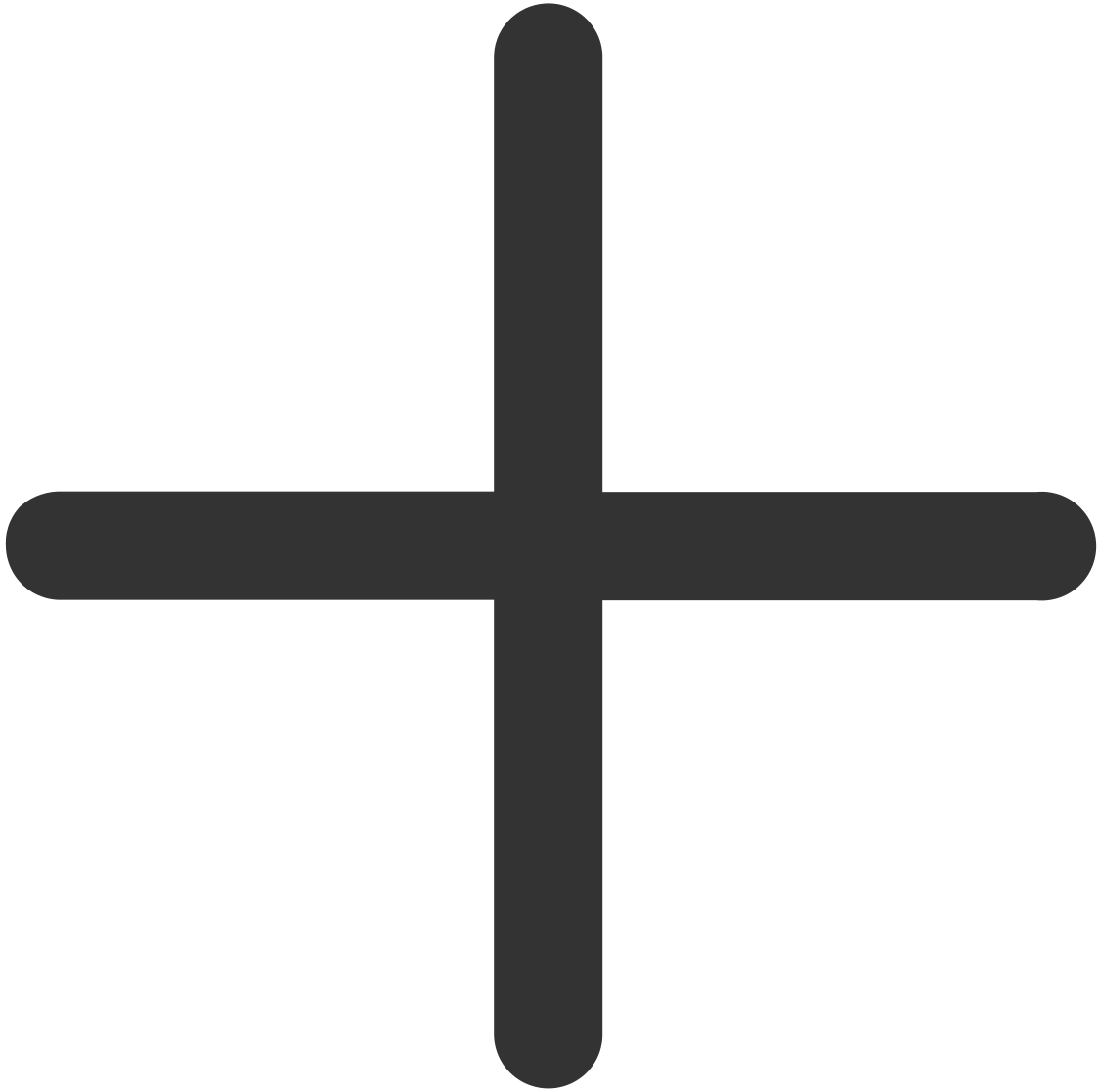
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**What can I do to make sure I don't pay too much for my projects?** —

Pay close attention to bids and contracts. It is your responsibility as a customer to get bids, and all prices should be clearly stated on contracts. If something is unclear to you, ask the service professional questions.

To find estimates for how much other homeowners have paid for projects, check out our [True Cost Guide](#)

# Most Popular Cities



**Browse by State**



[Browse by State](#)



- Atlanta, GA
- Charlotte, NC
- Chicago, IL
- Dallas, TX
- Denver, CO
- Houston, TX
- Los Angeles, CA
- Miami, FL
- Milwaukee, WI
- Minneapolis, MN
- New Orleans, LA
- New York, NY
- Philadelphia, PA
- Portland, OR
- Salt Lake City, UT
- San Antonio, TX
- San Diego, CA
- San Francisco, CA
- Seattle, WA
- Washington, DC



- Albuquerque, NM
- Alexandria, VA
- Alpharetta, GA
- Arlington, TX
- Arlington, VA
- Arvada, CO
- Ashburn, VA
- Aurora, CO
- Austin, TX
- Baltimore, MD
- Beaverton, OR
- Bellevue, WA
- Birmingham, AL
- Boca Raton, FL
- Boynton Beach, FL
- Bradenton, FL
- Bronx, NY
- Brooklyn, NY
- Cape Coral, FL
- Cary, NC
- Chandler, AZ

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- Cincinnati, OH
- Clearwater, FL
- Cleveland, OH
- Colorado Springs, CO
- Columbus, OH
- Cumming, GA
- Cypress, TX
- Dayton, OH
- Durham, NC
- Fairfax, VA
- Fort Lauderdale, FL
- Fort Myers, FL
- Fort Worth, TX
- Frisco, TX
- Hollywood, FL
- Indianapolis, IN
- Jacksonville, FL
- Kansas City, MO
- Katy, TX
- Knoxville, TN
- Lake Worth, FL
- Las Vegas, NV
- Lawrenceville, GA
- Littleton, CO
- Louisville, KY
- Marietta, GA
- Mesa, AZ
- Naperville, IL
- Naples, FL
- Nashville, TN
- Oklahoma City, OK
- Omaha, NE
- Orlando, FL
- Overland Park, KS
- Phoenix, AZ
- Pittsburgh, PA
- Plano, TX
- Pompano Beach, FL
- Raleigh, NC
- Richmond, VA
- Sacramento, CA
- Saint Louis, MO
- Saint Paul, MN
- Saint Petersburg, FL
- San Jose, CA
- Sarasota, FL
- Scottsdale, AZ
- Silver Spring, MD
- Spokane, WA
- Spring, TX
- Staten Island, NY
- Tacoma, WA
- Tampa, FL
- Tucson, AZ
- Vancouver, WA
- Virginia Beach, VA
- West Palm Beach, FL

- [Wilmington, NC](#)
- [Woodbridge, VA](#)

## Sign up for Free Project Cost Information

**Subscribe**

### Stay Connected

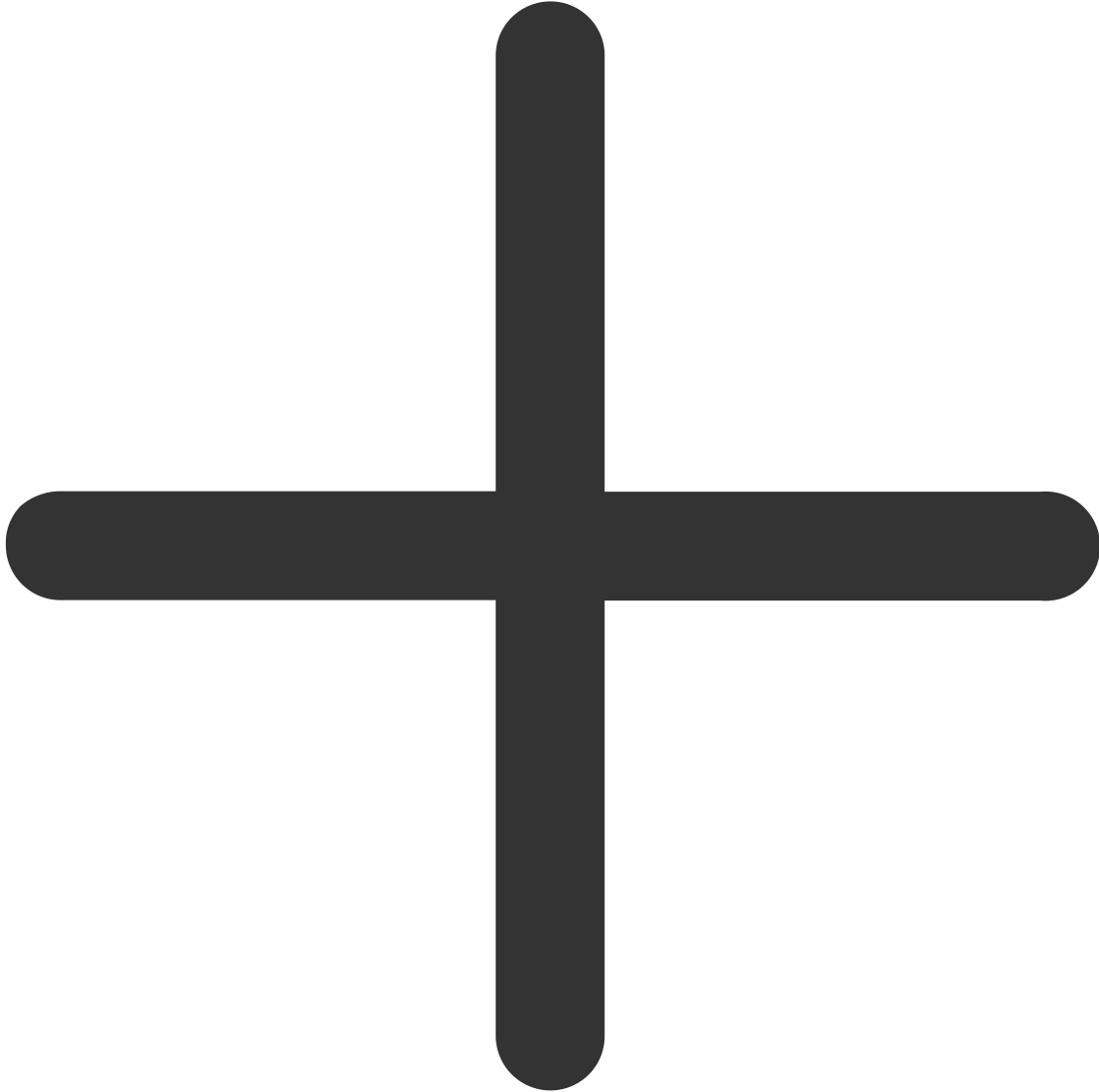
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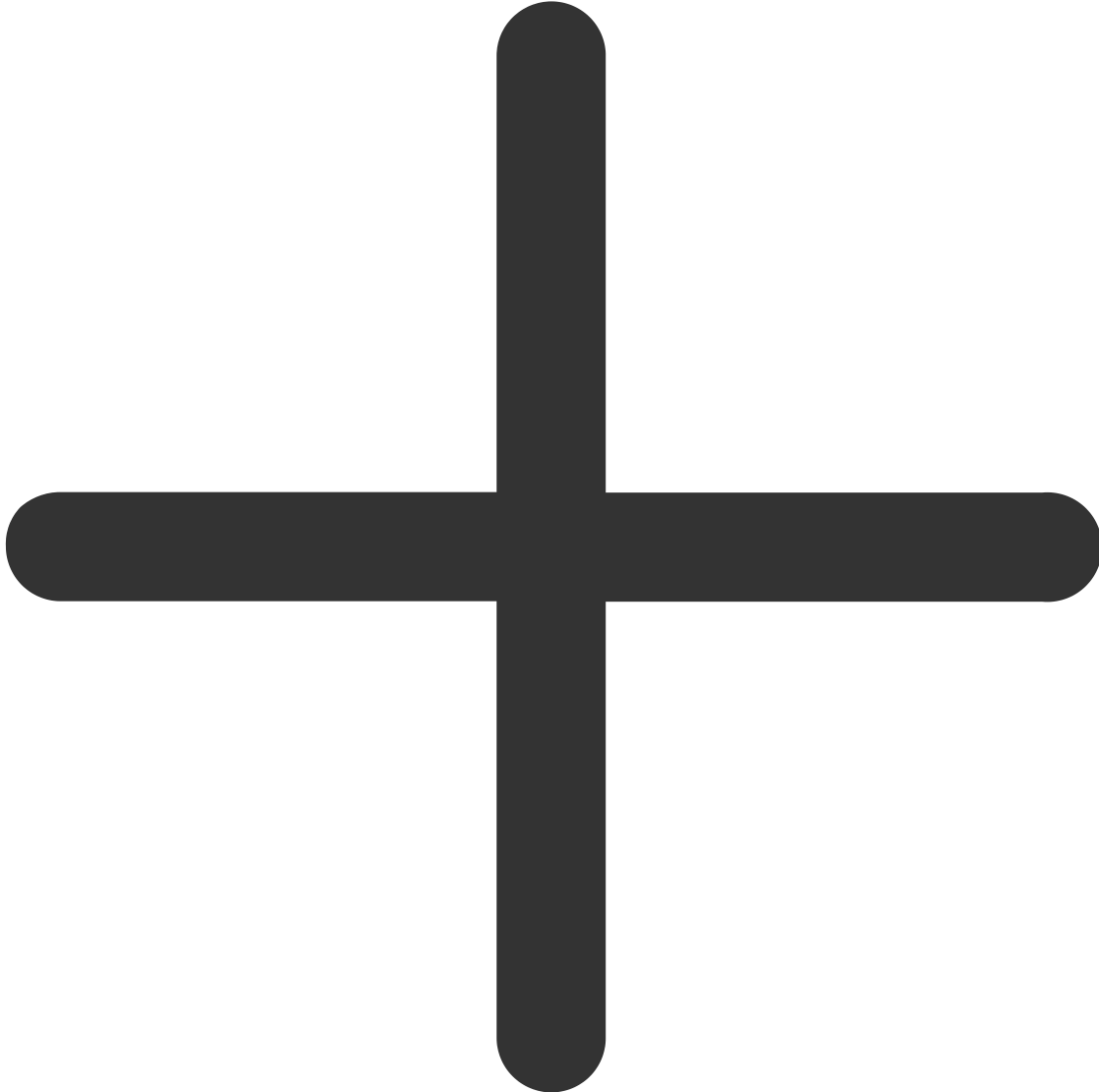


Homeowner Services



- [Find Pros](#)
- [Browse Pro Directory](#)
- [Fixed Price Services](#)
- [Key Membership](#)
- [Financing](#)

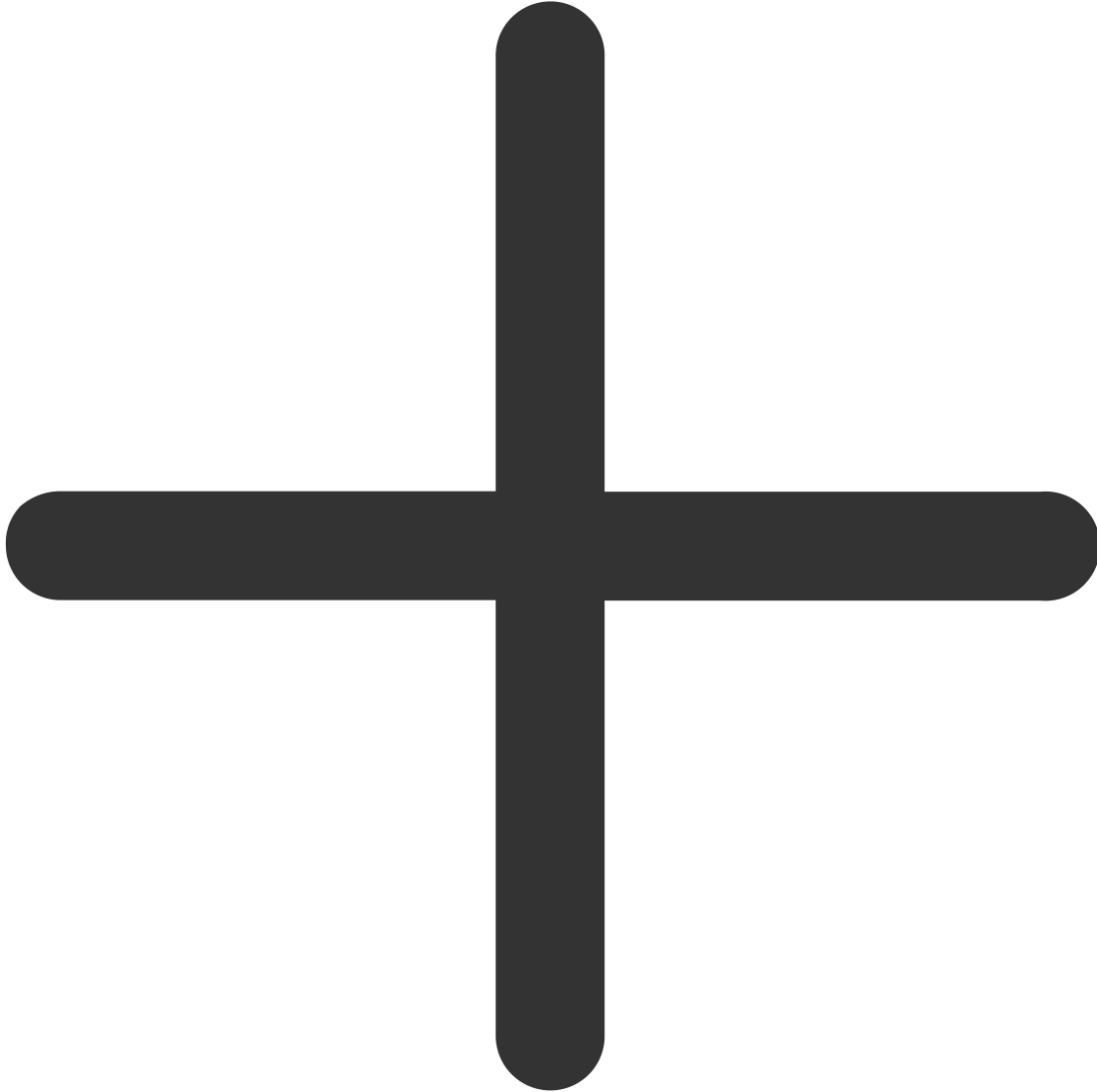
### Homeowner Resources



- [My Account](#)
- [True Cost Guide](#)
- [Resource Center](#)
- [Refer a Pro](#)
- [Pros Near Me](#)
- [A Note from Our Team](#)
- [Licensing Requirements](#)

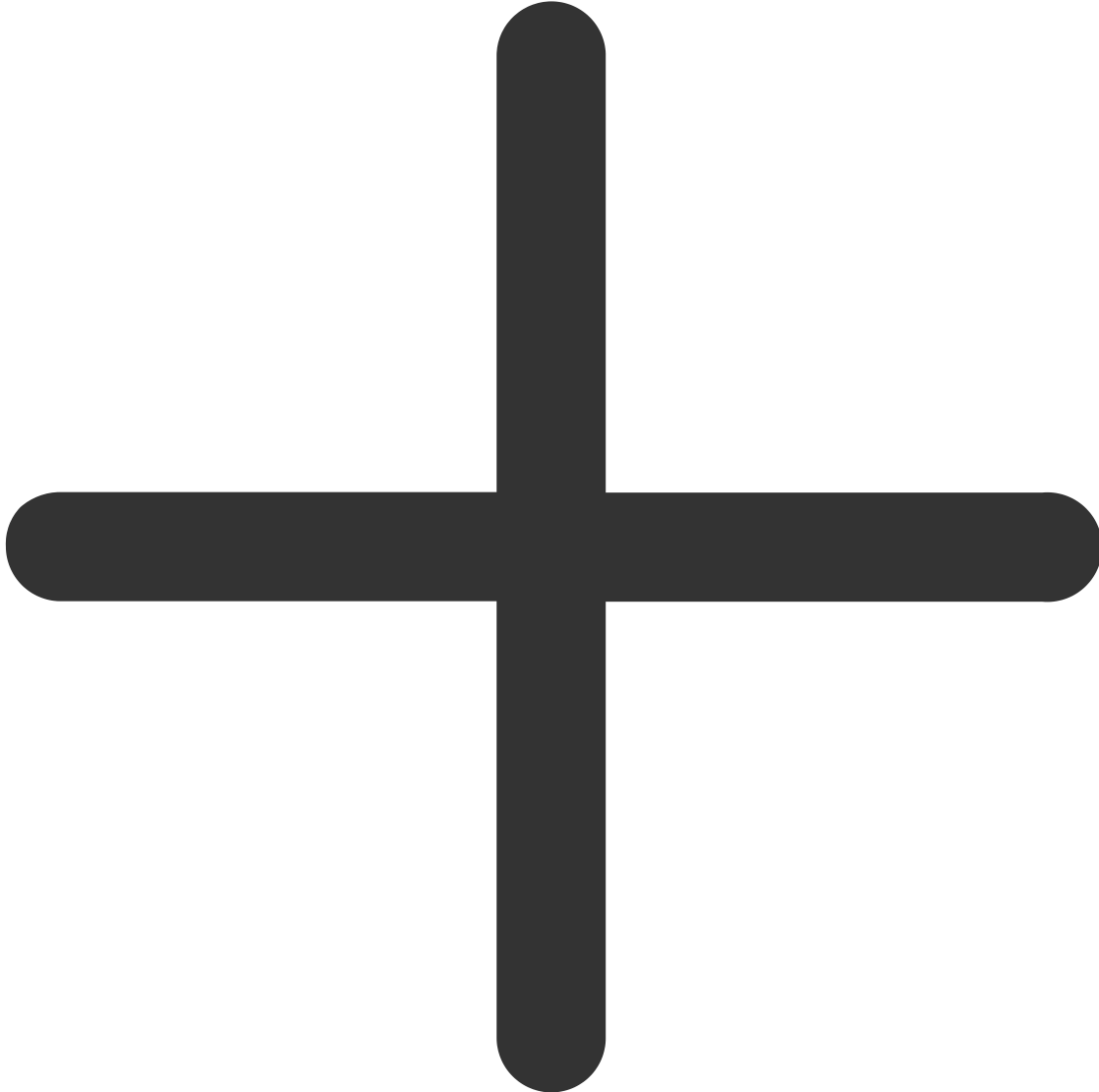
**For Service Professionals**





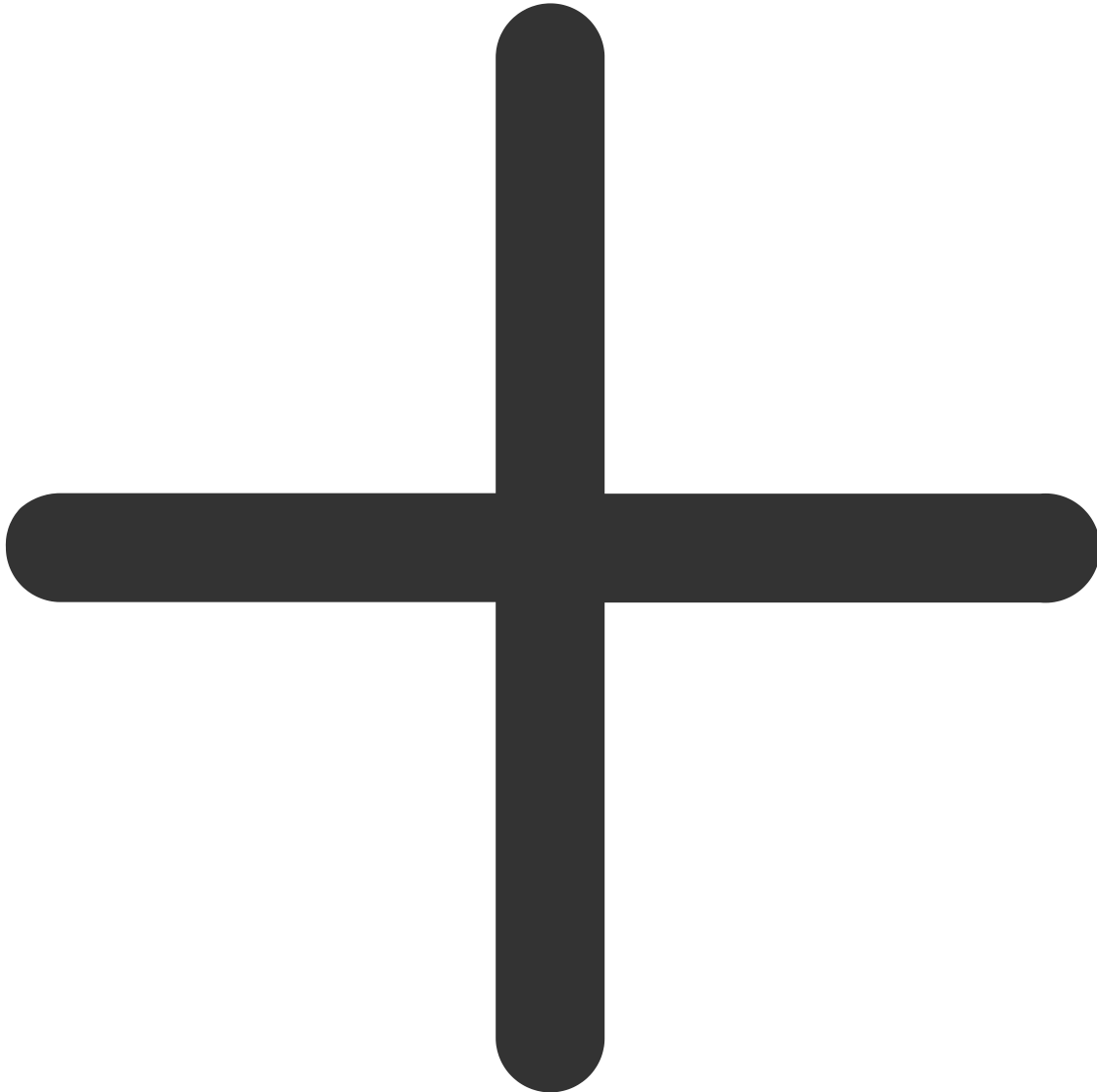
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**HomeAdvisor International**



- France: Travaux
- Germany: MyHammer
- Italy: Instapro
- Netherlands: Werkspot
- UK: MyBuilder

**HomeAdvisor International:**

- France: Travaux
- Germany: MyHammer
- Italy: Instapro
- Netherlands: Werkspot
- UK: MyBuilder

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**RX0064**

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**RX0065**

*(Submitted In Camera)*

**RX0066**

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**RX0067**

*(Submitted In Camera)*



**RX0068**

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**RX0069**

*(Submitted In Camera)*

**RX0070**

*(Submitted In Camera)*

**RX0071**

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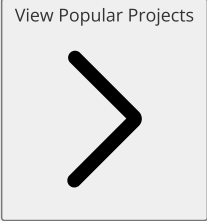
**RX0072**

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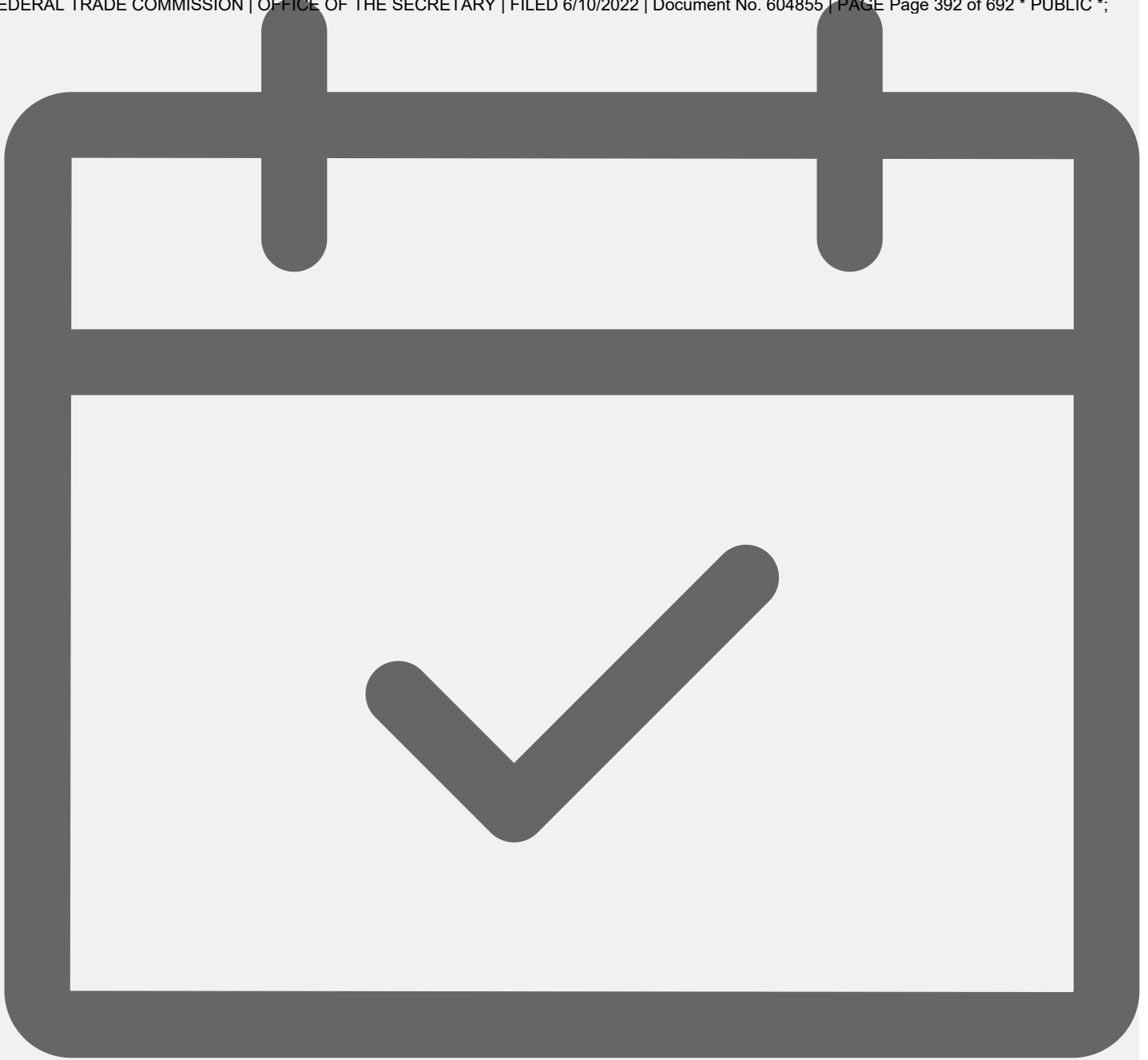
### Most Popular Projects

- [Additions & Remodeling](#)
- [Air Conditioning & Cooling](#)
- [Bathroom Remodeling](#)
- [Builders \(New Homes\)](#)
- [Cabinets](#)
- [Carpentry](#)
- [Carpet Installation](#)
- [Ceiling Installation](#)
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- [Swimming Pools, Spas, Hot Tubs & Saunas](#)
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### Research

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### Popular Review Categories

- Additions & Remodeling
- Air Conditioning
- Brick & Stone
- Carpenters
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- Home Inspection
- Insulation
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- Lawn & Garden Care
- Mold & Asbestos Services
- Painting
- Pest Control
- Plumbing
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- Siding
- Swimming Pools
- Tile
- Tree Service
- Windows

[See All Categories](#)

#### Top Projects

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- Major Home Repairs
- Sunroom Construction
- Wood Floor Refinishing

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### True Cost Guide

- AC Repair Cost
- AC Unit Cost
- Basement Costs
- Bathroom Remodel Cost
- Cabinet Installation Cost
- Carpentry Framing Cost
- Carpet Installation Cost
- Cleaning Service Cost
- Cost to Add a Bathroom
- Cost to Build a House

- Cost to Build an Outbuilding
- Cost to Hire a Painter
- Cost to Insulate a House
- Cost to Paint a House
- Cost to Plant a Tree
- Countertop Installation Cost
- Door & Window Costs
- Electrician Prices List
- Fence Installation Cost
- Fencing Costs
- Flooring Installation Cost
- Foundation Repair Cost
- Furnace Installation Cost
- Gutter Cleaning Cost
- Handyman Price List
- Hardwood Flooring Cost
- Home Addition Cost
- Home Extension Cost
- House Siding Cost
- HVAC Replacement Cost
- Inground Pool Cost
- Interior Painting Cost
- Kitchen Remodel Cost
- Landscaping Costs
- Lawn Care Cost
- Maid Service Cost
- Plumbing Costs
- Pool with Hot Tub Cost
- Porch & Deck Costs
- Roofing Costs
- Roof Replacement Cost
- Stair & Railing Costs
- Tree Removal Cost
- Water Heater Replacement Cost
- Window Installation Cost
- [See All Categories](#)

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**Pros Near You**

- AC Repair
- Appliance Repair
- Arborists
- Bathroom Remodeling
- Carpenters
- Carpet Cleaning
- Ceiling Fan Repair
- Computer Repair
- Deck Builders
- Driveway Paving
- Driveway Sealing
- Drywall Installers
- Electricians
- Fence Installers
- Flooring Companies
- Garage Door Install
- Garage Door Repair
- General Contractors
- Gutter Cleaning
- Gutter Installers
- HVAC Contractors
- HVAC Repair
- Handyman Services
- House Cleaning
- Landscapers
- Lawn Care
- Lawn Mowing

- Painters
- Pest Control
- Plumbers
- Pool Builders
- Roofers
- Septic Tank Cleaning
- Soil Delivery
- Tile Contractors
- Tree Removal
- Window Glass Repair
- Window Installers
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**Additions & Remodels**

- Additions
- Bathroom Remodel
- Basement Remodel
- Kitchen Remodel
- Garage Remodel

+ SHOW MORE

**Air Conditioning & Cooling**

- Central Air Conditioning - Install
- Central Air Conditioning - Repair or Service
- Fans
- Swamp Cooler - Install or Replace
- Window A/C Unit - Install

+ SHOW MORE

**Architects, Builders & Engineers**

- Architects
- Builders (New Home)
- Engineers
- General Contractors
- Land Surveyor

+ SHOW MORE

**Bathroom Remodeling**

Bathroom Remodeling & Design

Cabinets & Countertops

Painting & Staining

Plumbing

Tile

+ SHOW MORE

**Carpentry & Woodworking**

Cabinets & Countertops

Decks, Fences & Ramps

Doors

Finish Carpentry, Trim & Molding

Framing

+ SHOW MORE

**Cabinets**

Cabinets - Install

Cabinets - Reface

Custom Cabinets or Built-In Furniture

Cabinets - Re nish

Countertops

+ SHOW MORE

**Cleaning Services**

Maid Service

Carpet & Draperies

Windows

Exterior Home

Interior Home

+ SHOW MORE

**Concrete, Brick & Stone**

Driveways & Floors

Patios, Walks & Steps

Chimney, Fireplace, Stove & Barbecue

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Foundations

Siding - Brick, Stone, or Stucco

+ SHOW MORE

**Countertops**

Ceramic & Porcelain Tile - Install

Stone Slab (Granite, Quartz, etc.) - Install

Laminate Countertops - Install

Solid Surface (Corian, Concrete, etc.) - Install

Natural Stone Tile - Install

+ SHOW MORE

**Decorators & Designers**

Designer - Kitchen

Designer - Building

Interior Decorator

Designer - Landscape

Designer - Residential (Interior Space Planner)

+ SHOW MORE

**Drywall & Insulation**

Drywall - Install

Drywall - Repair

Batt, Rolled & Reflective Insulation

Blown-In Insulation

Soundproofing

Spray Foam Insulation

**Decks, Porches & Patios**

Build a Deck or Porch

Build a Patio

Clean & Seal a Deck or Porch

Build an Arbor, Pergola, or Trellis

Build a Gazebo

+ SHOW MORE

**Electrical & Computers**

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Outlets, Panels, Switches & Wiring

Cables, Networks & Telephones

Electronics, Computers & Home Media Systems

Appliances

Fans

+ SHOW MORE

**Energy Efficiency**

Energy Efficient Home Heating

Home Insulation & Weatherstripping

Home Solar Energy

Energy Efficient Windows & Doors

Home Energy Audit

+ SHOW MORE

**Fences**

Wood Fence - Install

Vinyl or PVC Fence - Install

Chain Link Fence - Install

Wrought Iron Fence - Install

Aluminum or Steel Fence - Install

+ SHOW MORE

**Flooring**

Brick & Stone

Carpet

Hardwood

Laminate & Vinyl

Tile

+ SHOW MORE

**Foundations**

Concrete Foundation - Install

Concrete Foundation - Repair or Raise

Foundation Drainage - Install or Replace

Foundation or Basement - Waterproofing

**Garage**

- Garage - Build
- Garage - Remodel
- Garage Door - Install or Replace
- Garage Door Opener - Install
- Garage Organizers - Install

+ SHOW MORE

### Green Home Improvement Projects

- Home Solar Energy
- Energy Efficient Windows & Doors
- Home Insulation & Weatherstripping
- Energy Efficient Appliances
- Energy Efficient Home Heating
- Home Energy Audit

+ SHOW MORE

### Handyman Services

- Carpentry
- Gutters
- Handyman for Multiple Small Projects
- Painting, Staining & Drywall
- Electrical

+ SHOW MORE

### Heating & Furnaces

- Boilers & Radiators
- Central Heating Systems
- Electric Wall & Radiant Heat Systems
- Fans
- Water Heaters

+ SHOW MORE

### Home Construction

- Additions
- Major Remodels & Renovations
- New Home Construction
- Outbuildings & Structures
- Site Preparation



**Home Inspectors & Appraisers**

- Appraisal - Real Estate
- Appraisal - General
- Home Inspector
- Inspection - Roofing
- Inspection - Waterproofing

**Home Theater**

- Home Theater System or Media Center - Install
- Home Automation - Install or Service
- Home Theater Surround Sound System - Install
- Install, Repair or Conceal Home Theater Wiring
- TV Wall Mount
- + SHOW MORE

**Home Winterization**

- Home Insulation & Weatherstripping
- Energy Efficient Home Heating
- Energy Efficient Windows & Doors
- Chimney or Fireplace - Clean and Inspect
- Winterize Roofing/Gutters
- Winterize Lawn/Landscape
- + SHOW MORE

**Household Chores**

- Furniture Assembly
- Packing & Unpacking Services
- Lifting & Moving Heavy Items
- Box Recycling & Disposal
- Yard & Garden Work
- + SHOW MORE

**Moving & Storage**

- Painting & Staining
- Professional Moving Services
- Storage
- Waste Material & Junk Removal

+ SHOW MORE

**Kitchen Remodeling**

Kitchen Remodeling & Design

Cabinets & Countertops

Painting & Staining

Plumbing

Tile

+ SHOW MORE

**Landscape, Yard & Garden**

Landscaping - Design & Installation

Landscaping - Maintenance of Lawn & Trees

Landscaping - Sprinkler Systems

Pools & Water Features

Tree & Shrub Service

+ SHOW MORE

**Painting & Staining**

Exterior Painting or Staining

Interior Painting or Staining

Special Finishes

Paint Preparation

Paint Removal and Cleaning

+ SHOW MORE

**Plumbing**

Drain Clearing

Faucets, Fixtures & Pipes

Septic Systems, Sewers & Water Mains

Sprinkler Systems

Water Heaters

+ SHOW MORE

**Roofing**

Roofing - Install or Replace

Roofing - Repair

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[Roofing & Gutters - Clean](#)

[Gutters](#)

[Skylights](#)

[+ SHOW MORE](#)

### Siding

[Vinyl Siding - Install](#)

[Vinyl Siding - Repair](#)

[Wood or Fiber Cement - Install](#)

[Metal Siding - Install](#)

[Traditional Stucco - Install](#)

[+ SHOW MORE](#)

### Swimming Pools, Spas, Hot Tubs & Saunas

[Gazebos & Enclosures](#)

[Hot Tubs & Spas](#)

[Saunas](#)

[Swimming Pool Decks & Patios](#)

[Swimming Pools](#)

### Tile & Stone

[Tile: Ceramic & Porcelain - Install](#)

[Tile: Natural Stone - Install](#)

[Pavers for Driveways & Floors - Install](#)

[Brick & Stone for Patios - Install](#)

[Tile, Stone, Grout - Clean](#)

[Pavers for Patios, Walks & Steps - Install](#)

[+ SHOW MORE](#)

### Walls & Ceilings

[Painting & Texturing](#)

[Carpentry - Trim Work & Framing](#)

[Ceilings](#)

[Ceilings - Fans](#)

[Drywall & Insulation](#)

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### Windows & Doors

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Windows - Installation & Repair

Doors - Garage, Sliding, Glass, etc.

Hardware, Locks & Screens

Windows - Cleaning

Windows - Treatments

+ SHOW MORE

**Other Services**

Environmental (Asbestos, Lead, Mold, and Radon Gas)

Fireplaces, Inserts, Stoves, and Barbecues

Furniture

Home Security

Metal Work, Blacksmiths and Signmakers

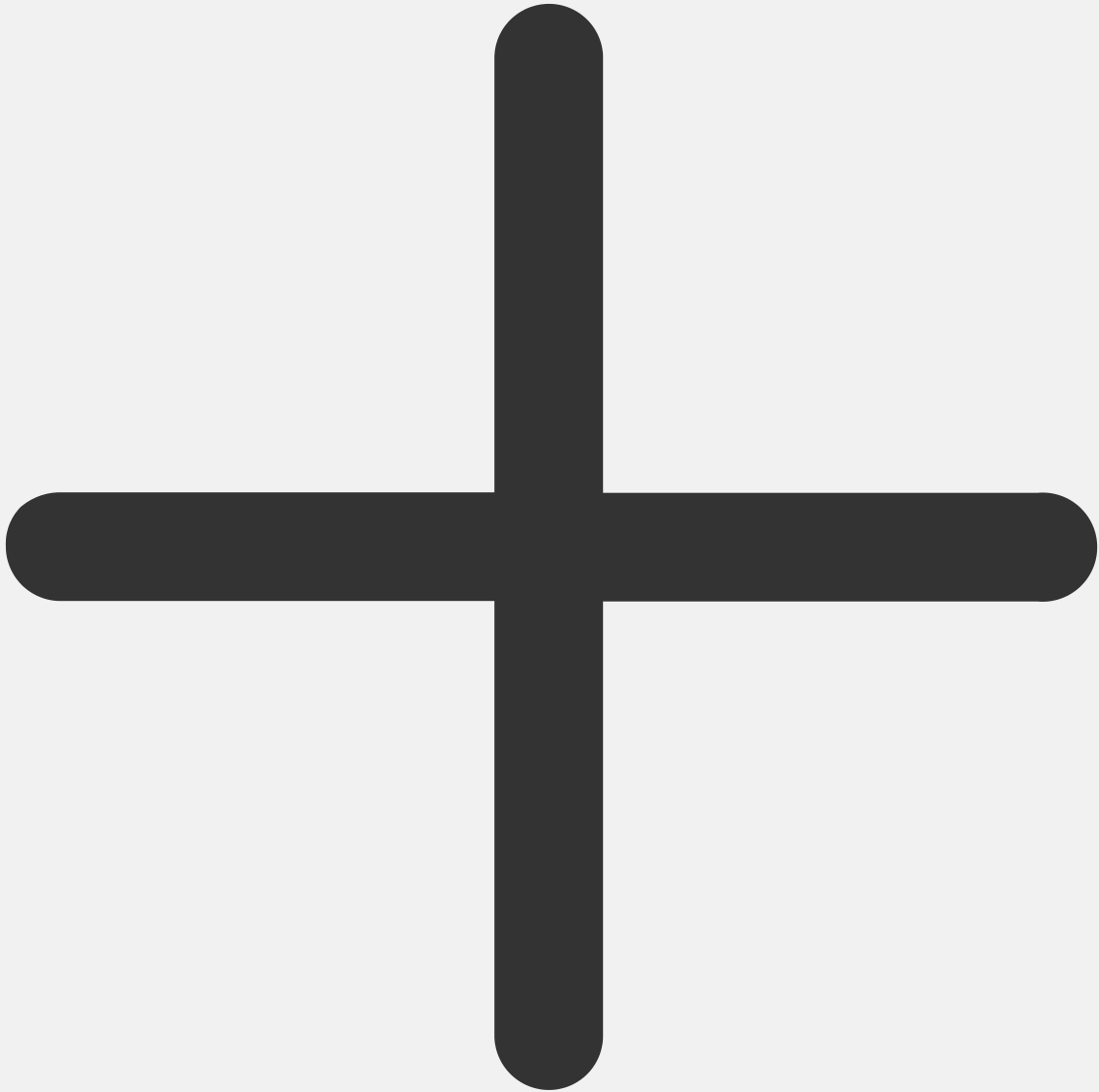
Pest Control (Birds, Insects, Rodents, Termites)

Recovery Services (Water, Fire, etc)

Removal of Junk or Building Materials

Water Softening & Purification

### Most Popular Cities





**Browse by State**



Browse by State



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- Chicago, IL
- Dallas, TX
- Denver, CO
- Houston, TX
- Los Angeles, CA
- Miami, FL
- Milwaukee, WI
- Minneapolis, MN
- New Orleans, LA
- New York, NY
- Philadelphia, PA
- Portland, OR
- Salt Lake City, UT
- San Antonio, TX
- San Diego, CA
- San Francisco, CA
- Seattle, WA
- Washington, DC

Additional Cities



- Albuquerque, NM
- Alexandria, VA
- Alpharetta, GA
- Arlington, TX
- Arlington, VA
- Arvada, CO
- Ashburn, VA
- Aurora, CO
- Austin, TX
- Baltimore, MD
- Beaverton, OR
- Bellevue, WA
- Birmingham, AL
- Boca Raton, FL
- Boynton Beach, FL
- Bradenton, FL
- Bronx, NY
- Brooklyn, NY
- Cape Coral, FL
- Cary, NC
- Chandler, AZ
- Cincinnati, OH
- Clearwater, FL
- Cleveland, OH
- Colorado Springs, CO
- Columbus, OH
- Cumming, GA
- Cypress, TX
- Dayton, OH
- Durham, NC
- Fairfax, VA
- Fort Lauderdale, FL
- Fort Myers, FL
- Fort Worth, TX
- Frisco, TX
- Hollywood, FL
- Indianapolis, IN
- Jacksonville, FL
- Kansas City, MO
- Katy, TX
- Knoxville, TN
- Lake Worth, FL
- Las Vegas, NV

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- Littleton, CO
- Louisville, KY
- Marietta, GA
- Mesa, AZ
- Naperville, IL
- Naples, FL
- Nashville, TN
- Oklahoma City, OK
- Omaha, NE
- Orlando, FL
- Overland Park, KS
- Phoenix, AZ
- Pittsburgh, PA
- Plano, TX
- Pompano Beach, FL
- Raleigh, NC
- Richmond, VA
- Sacramento, CA
- Saint Louis, MO
- Saint Paul, MN
- Saint Petersburg, FL
- San Jose, CA
- Sarasota, FL
- Scottsdale, AZ
- Silver Spring, MD
- Spokane, WA
- Spring, TX
- Staten Island, NY
- Tacoma, WA
- Tampa, FL
- Tucson, AZ
- Vancouver, WA
- Virginia Beach, VA
- West Palm Beach, FL
- Wilmington, NC
- Woodbridge, VA

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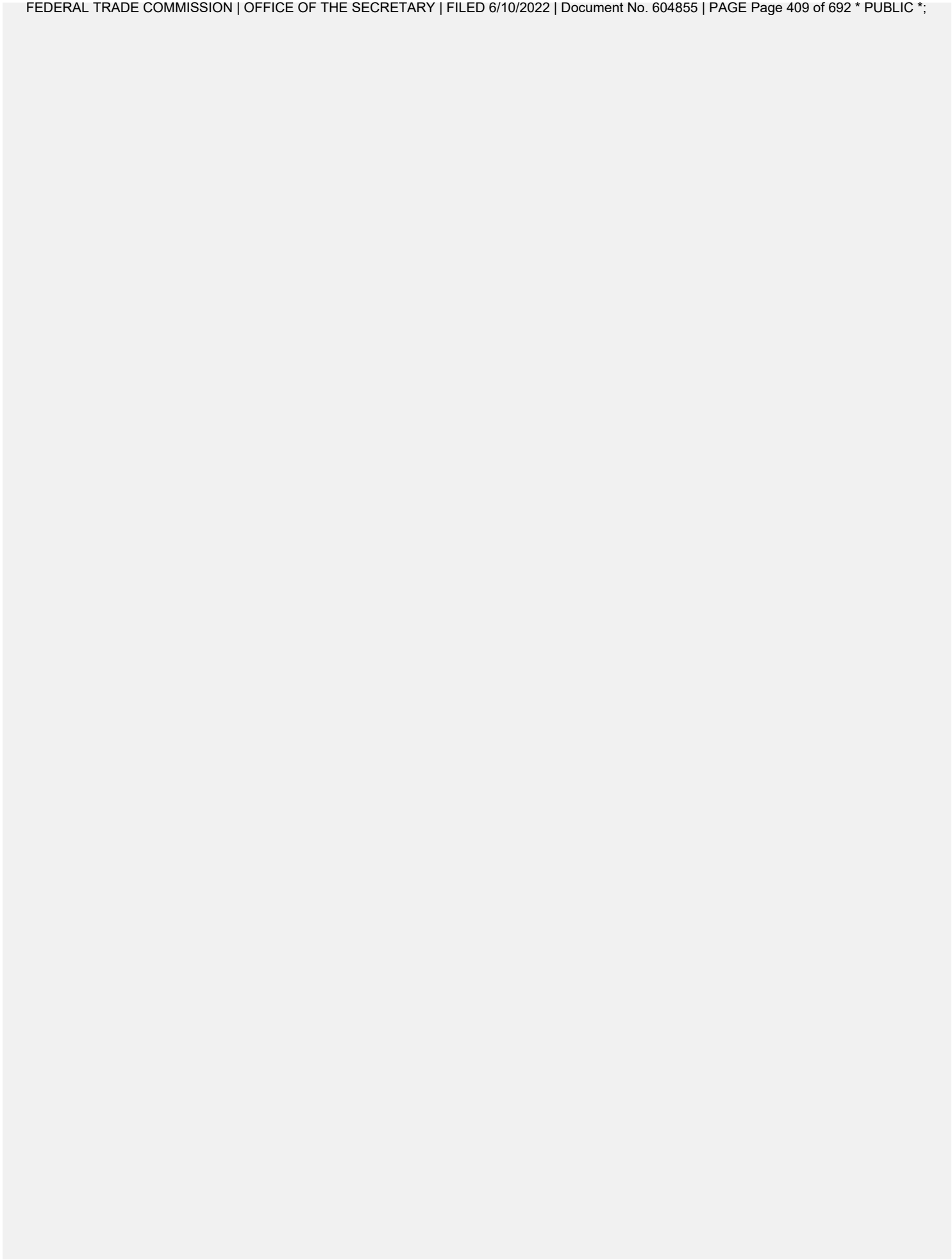
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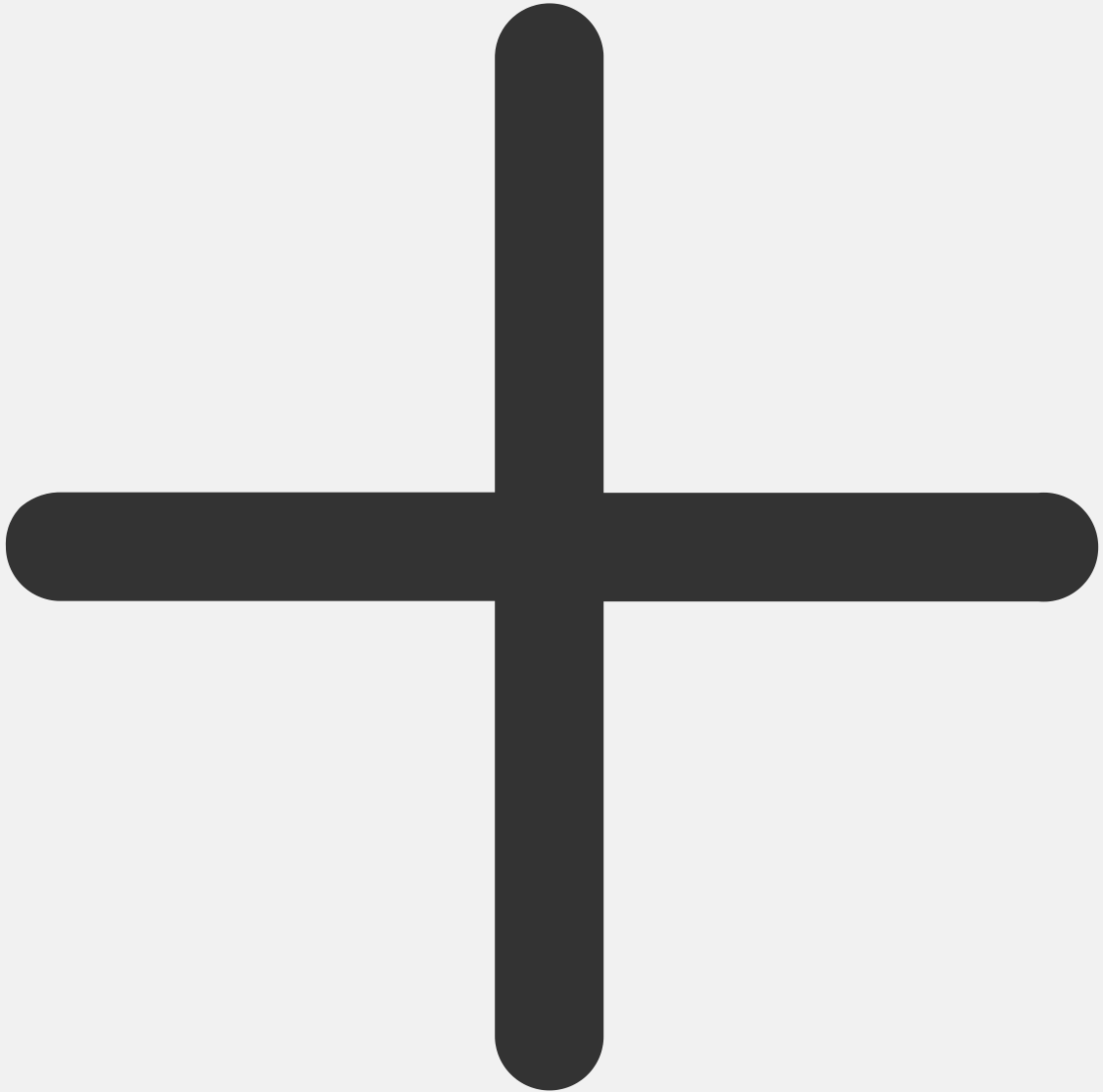
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### Homeowner Services



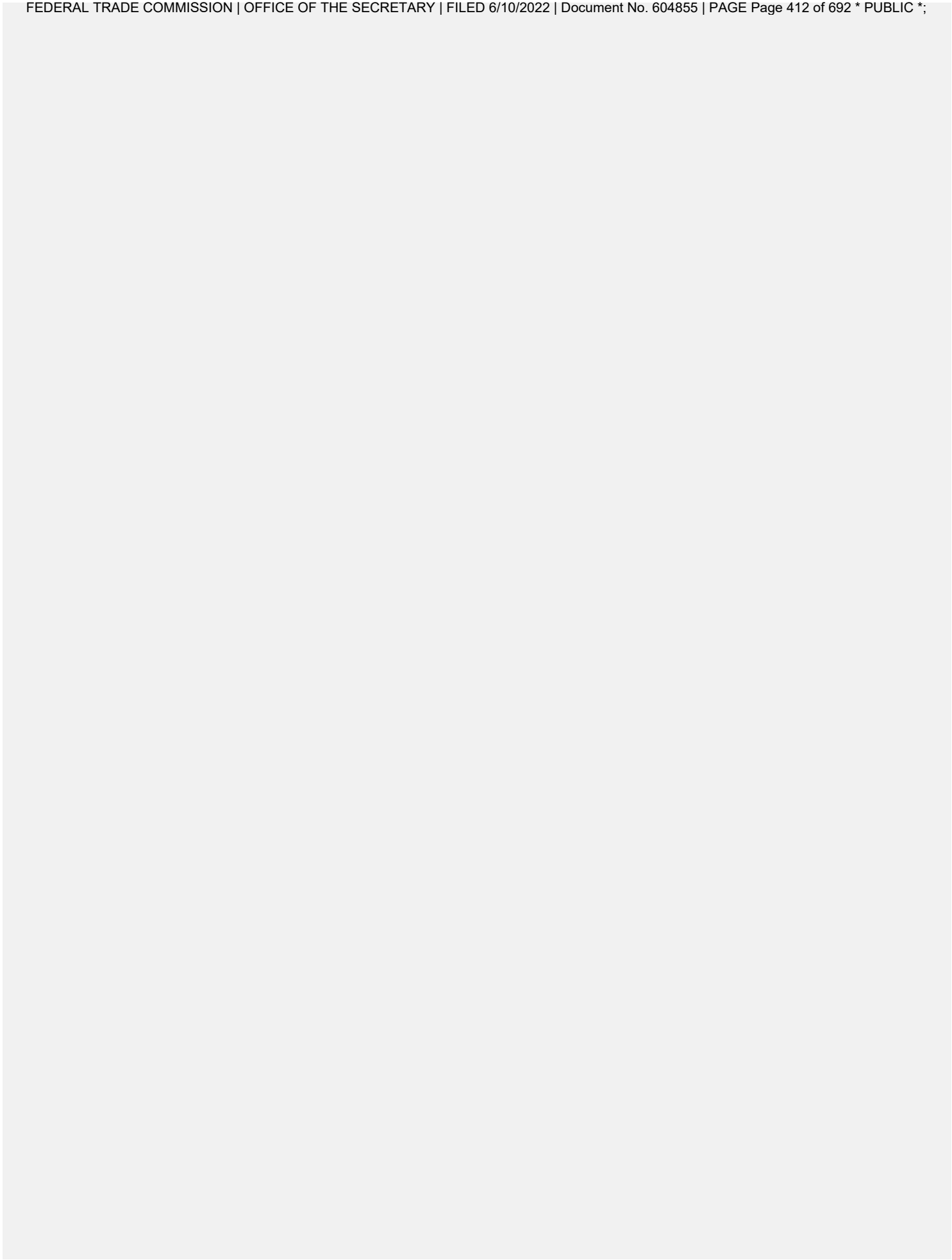


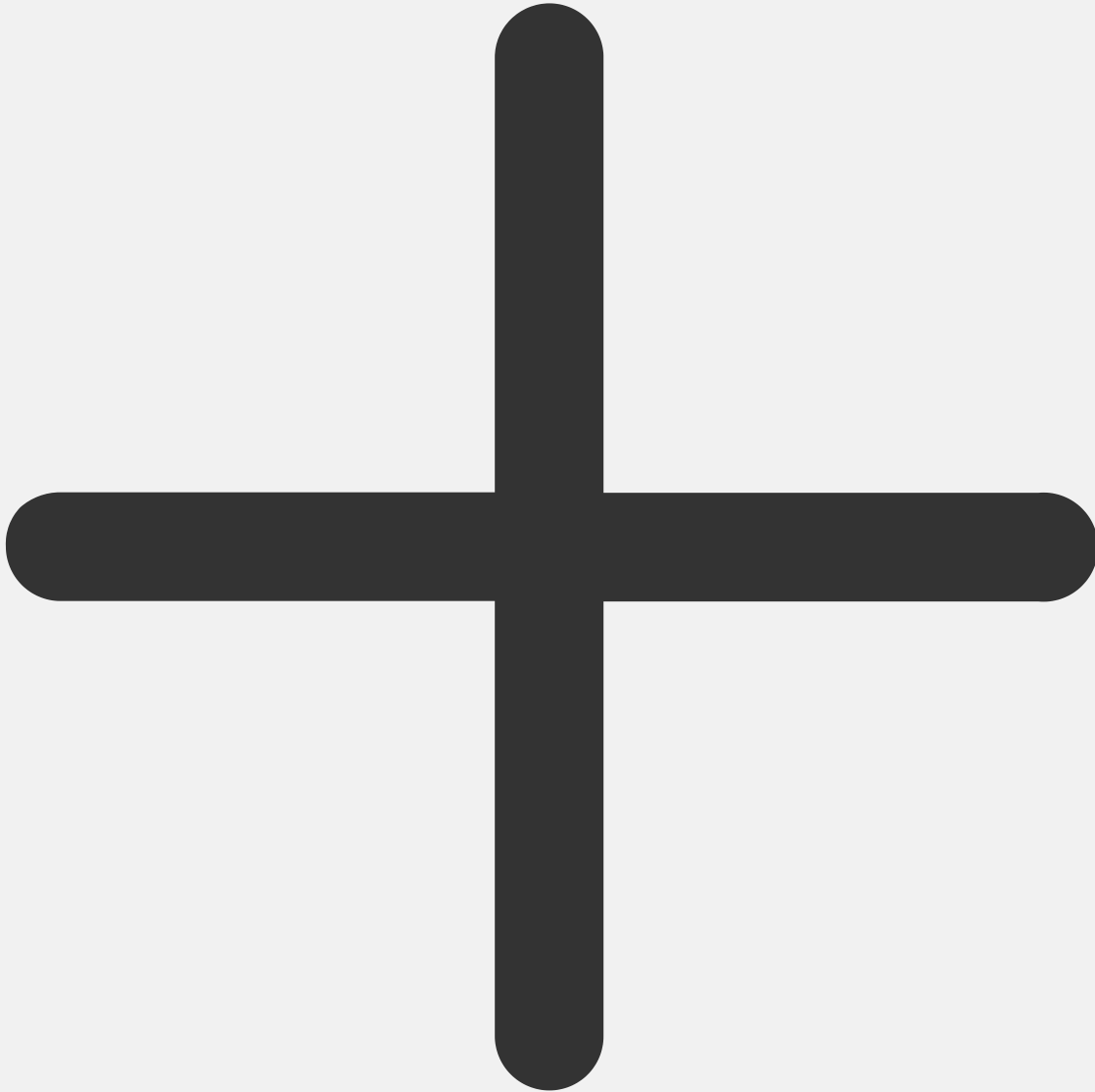




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**Homeowner Resources**



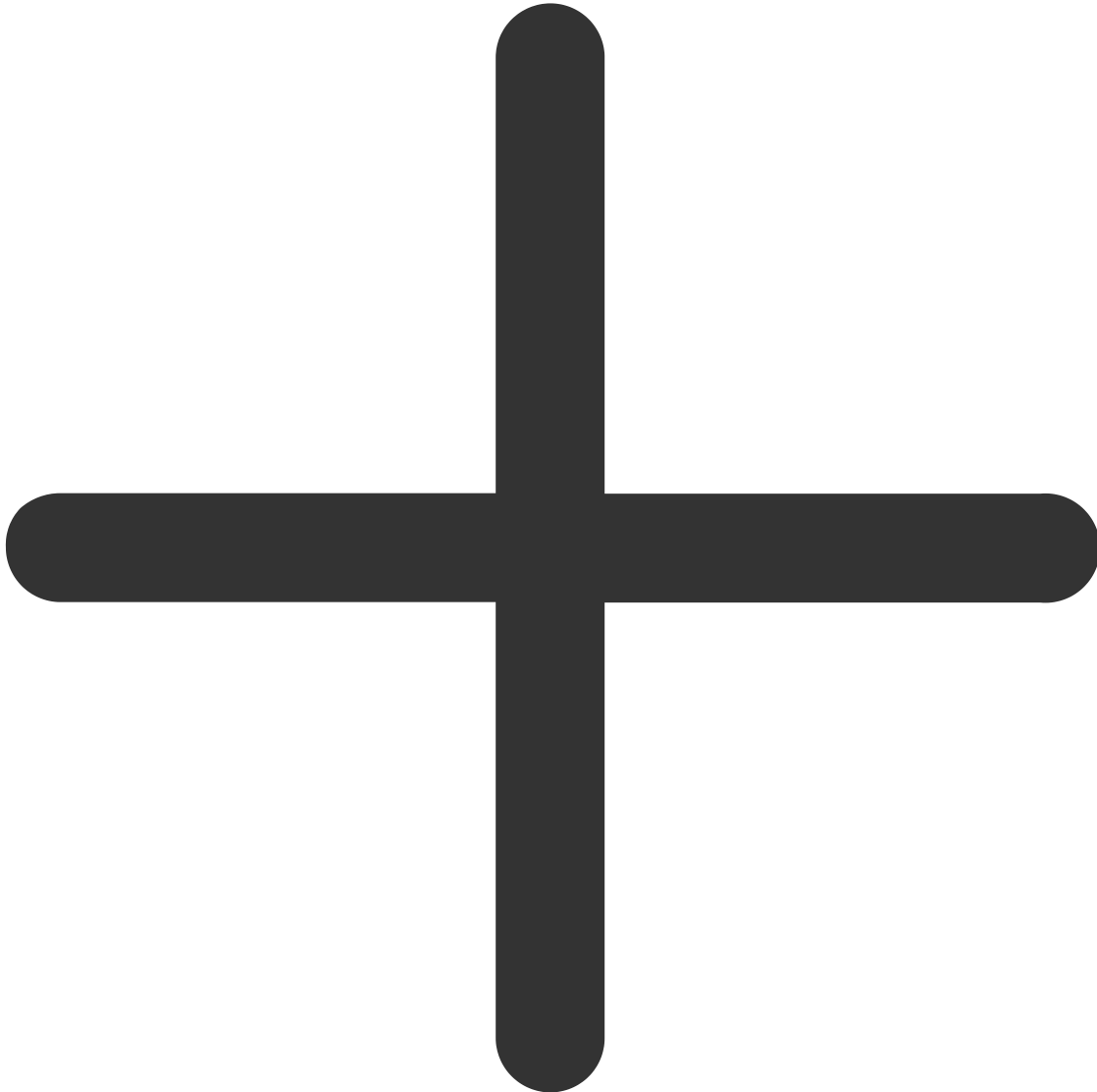




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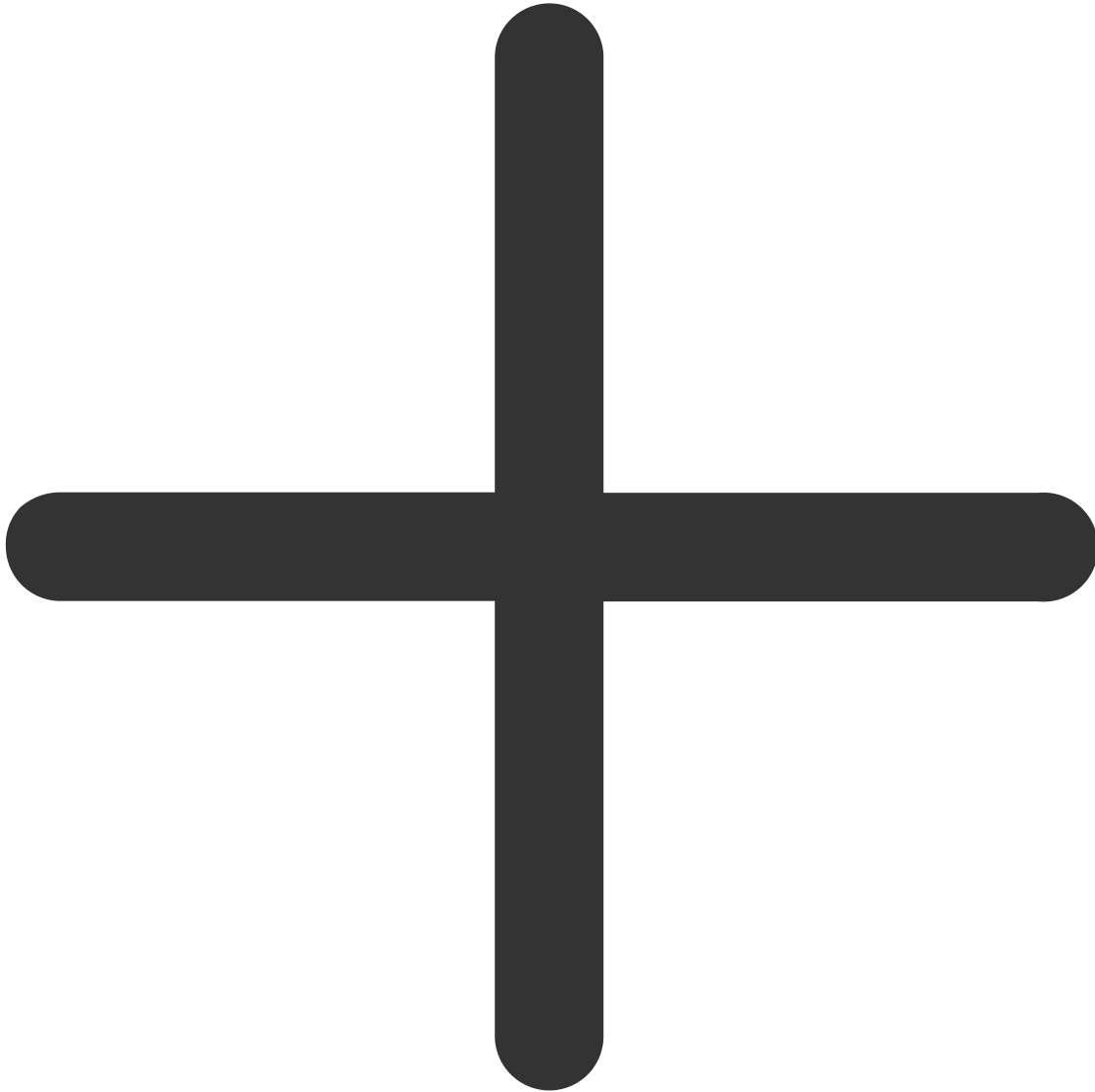




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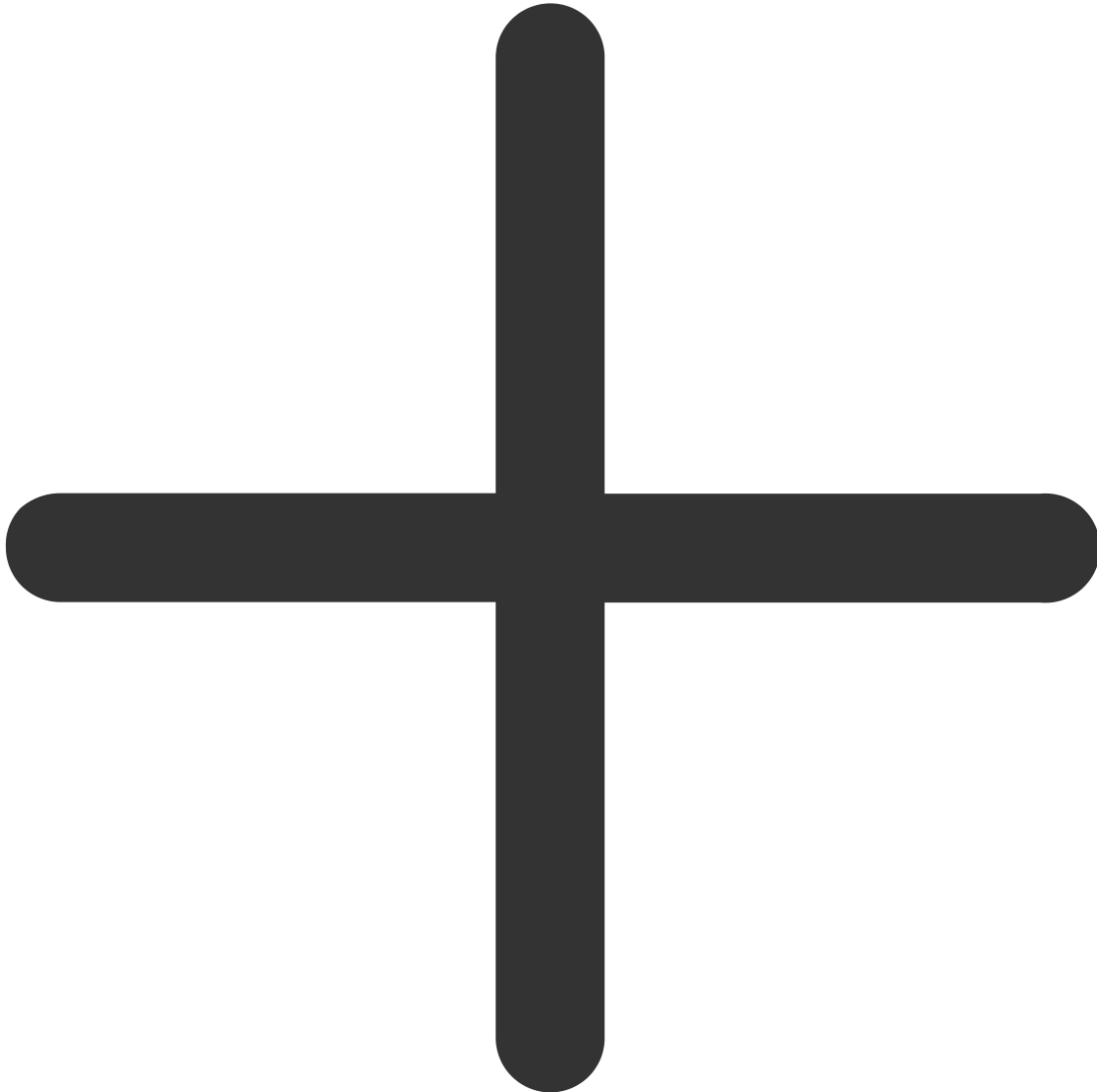




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- Italy: Instapro
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**RX0073**

*(Submitted In Camera)*

**RX0074**

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM 10-Q**

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the Quarterly Period Ended March 31, 2022  
Or**

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the transition period from \_\_\_\_\_ to \_\_\_\_\_**

**Commission File No. 001-38220**



**Angi Inc.**

(Exact name of Registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction of incorporation or organization)

**82-1204801**  
(I.R.S. Employer Identification No.)

**3601 Walnut Street, Denver, CO 80205**  
(Address of Registrant's principal executive offices)  
**(303) 963-7200**  
(Registrant's telephone number, including area code)

**Securities registered pursuant to Section 12(b) of the Act:**

<b>Title of each class</b>	<b>Trading Symbol</b>	<b>Name of exchange on which registered</b>
Class A Common Stock, par value \$0.001	ANGI	The Nasdaq Stock Market LLC

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the Registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the Registrant was required to submit such files). Yes  No

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer  Accelerated filer  Non-accelerated filer  Smaller reporting company  Emerging growth company

If an emerging growth company, indicate by check mark if the Registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

As of May 6, 2022, the following shares of the Registrant's common stock were outstanding:

Class A Common Stock	80,322,073
Class B Common Stock	422,019,247
Class C Common Stock	—
<b>Total outstanding Common Stock</b>	<b>502,341,320</b>

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**PART I  
FINANCIAL INFORMATION**

**Item 1. Consolidated Financial Statements**

**ANGI INC. AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEET  
(Unaudited)**

	March 31, 2022	December 31, 2021
	(In thousands, except par value amounts)	
<b>ASSETS</b>		
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>LIABILITIES:</b>		
Accounts payable	\$ 56,558	\$ 38,860
Deferred revenue	55,255	53,834
Accrued expenses and other current liabilities	194,499	183,815
Total current liabilities	306,312	276,509
Long-term debt, net	494,730	494,552
Deferred income taxes	2,269	1,883
Other long-term liabilities	87,079	91,670
Commitments and contingencies		
<b>SHAREHOLDERS' EQUITY:</b>		
Class A common stock, \$0.001 par value; authorized 2,000,000 shares; issued 100,425 and 99,745 shares, respectively, and outstanding 80,214 and 80,578, respectively	100	100
Class B convertible common stock, \$0.001 par value; authorized 1,500,000 shares; 422,019 and 422,019 shares issued and outstanding	422	422
Class C common stock, \$0.001 par value; authorized 1,500,000 shares; no shares issued and outstanding	—	—
Additional paid-in capital	1,361,540	1,350,457
Accumulated deficit	(95,019)	(61,629)
Accumulated other comprehensive income	2,506	3,309
Treasury stock, 20,211 and 19,167 shares, respectively	(166,184)	(158,040)
Total Angi Inc. shareholders' equity	1,103,365	1,134,619
Noncontrolling interests	11,068	10,908
Total shareholders' equity	1,114,433	1,145,527
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>\$ 2,004,823</b>	<b>\$ 2,010,141</b>

The accompanying [Notes to Consolidated Financial Statements](#) are an integral part of these statements.

**ANGI INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF OPERATIONS**  
**(Unaudited)**

	Three Months Ended March 31,	
	2022	2021
(In thousands, except per share data)		
Revenue	\$ 436,159	\$ 387,029
Operating costs and expenses:		
Cost of revenue (exclusive of depreciation shown separately below)	98,998	53,828
Selling and marketing expense	225,801	205,840
General and administrative expense	109,655	88,162
Product development expense	17,859	18,047
Depreciation	13,999	15,969
Amortization of intangibles	3,804	5,074
Total operating costs and expenses	470,116	386,920
Operating (loss) income	(33,957)	109
Interest expense	(5,022)	(6,617)
Other expense, net	(391)	(767)
Loss before income taxes	(39,370)	(7,275)
Income tax benefit	6,083	9,289
<b>Net (loss) earnings</b>	(33,287)	2,014
Net earnings attributable to noncontrolling interests	(103)	(83)
<b>Net (loss) earnings attributable to Angi Inc. shareholders</b>	<b>\$ (33,390)</b>	<b>\$ 1,931</b>
<b>Per share information attributable to Angi Inc. shareholders:</b>		
Basic (loss) earnings per share	\$ (0.07)	\$ 0.00
Diluted (loss) earnings per share	\$ (0.07)	\$ 0.00
<b>Stock-based compensation expense by function:</b>		
Selling and marketing expense	\$ 1,239	\$ 1,017
General and administrative expense	9,635	84
Product development expense	2,111	933
Total stock-based compensation expense	<b>\$ 12,985</b>	<b>\$ 2,034</b>

The accompanying [Notes to Consolidated Financial Statements](#) are an integral part of these statements.

**ANGI INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF COMPREHENSIVE OPERATIONS**  
**(Unaudited)**

	Three Months Ended March 31,	
	2022	2021
(in thousands)		
Change in foreign currency translation adjustment	(746)	679
Total other comprehensive (loss) income	(746)	
	(34,033)	2,693
Net earnings attributable to noncontrolling interests	(103)	(83)
Comprehensive income attributable to noncontrolling interests	(160)	(776)
	-	-

The accompanying [Notes to Consolidated Financial Statements](#) are an integral part of these statements.

**ANGI INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY**  
**Three Months Ended March 31, 2022 and 2021**  
**(Unaudited)**

	Redeemable Noncontrolling Interests	Class A Common Stock \$0.001 Par Value		Class B Convertible Common Stock \$0.001 Par Value		Class C Common Stock \$0.001 Par Value		Additional Paid-in Capital	(Accumulated Deficit) Retained Earnings	Accumulated Other Comprehensive Income	Treasury Stock	Total Angi Inc. Shareholders' Equity	Noncontrolling Interests	Total Shareholders' Equity
		\$	Shares	\$	Shares	\$	Shares							
(In thousands)														
<b>Balance as of December 31, 2021</b>	\$ —	\$ 100	99,745	\$ 422	422,019	\$ —	—	\$ 1,350,457	\$ (61,629)	\$ 3,309	\$ (158,040)	\$ 1,134,619	\$ 10,908	\$ 1,145,527
Net (loss) earnings	—	—	—	—	—	—	—	—	(33,390)	—	—	(33,390)	103	(33,287)
Other comprehensive (loss) income	—	—	—	—	—	—	—	—	—	(803)	—	(803)	57	(746)
Stock-based compensation expense	—	—	—	—	—	—	13,556	—	—	—	—	13,556	—	13,556
Issuance of common stock pursuant to stock-based awards, net of withholding taxes	—	—	681	—	—	—	(2,473)	—	—	—	—	(2,473)	—	(2,473)
Purchase of treasury stock	—	—	—	—	—	—	—	—	—	—	(8,144)	(8,144)	—	(8,144)
<b>Balance as of March 31, 2022</b>	\$ —	\$ 100	100,426	\$ 422	422,019	\$ —	—	\$ 1,361,540	\$ (95,019)	\$ 2,506	\$ (166,184)	\$ 1,103,365	\$ 11,068	\$ 1,114,433
<b>Balance as of December 31, 2020</b>	\$ 26,364	\$ 94	94,238	\$ 422	421,862	\$ —	—	\$ 1,379,469	\$ 9,749	\$ 4,637	\$ (122,081)	\$ 1,272,290	\$ 10,567	\$ 1,282,857
Net (loss) earnings	(60)	—	—	—	—	—	—	—	1,931	—	—	1,931	143	2,074
Other comprehensive income (loss)	580	—	—	—	—	—	—	—	—	(14)	—	(14)	113	99
Stock-based compensation expense	—	—	—	—	—	—	2,542	—	—	—	—	2,542	—	2,542
Issuance of common stock pursuant to stock-based awards, net of withholding taxes	—	1	1,591	—	—	—	(48,052)	—	—	—	—	(48,051)	—	(48,051)
Issuance of common stock to IAC pursuant to the employee matters agreement	—	3	2,579	—	96	—	(3)	—	—	—	—	—	—	—
Purchase of treasury stock	—	—	—	—	—	—	—	—	—	—	(4,916)	(4,916)	—	(4,916)
Purchase of redeemable noncontrolling interests	(22,938)	—	—	—	—	—	—	—	—	—	—	—	—	—
Adjustment of redeemable noncontrolling interests to fair value	662	—	—	—	—	—	(662)	—	—	—	—	(662)	—	(662)
<b>Balance as of March 31, 2021</b>	\$ 4,608	\$ 98	98,408	\$ 422	421,958	\$ —	—	\$ 1,333,294	\$ 11,680	\$ 4,623	\$ (126,997)	\$ 1,223,120	\$ 10,823	\$ 1,233,943

The accompanying [Notes to Consolidated Financial Statements](#) are an integral part of these statements.



**ANGI INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**(Unaudited)**

	<b>Three Months Ended March 31,</b>	
	<b>2022</b>	<b>2021</b>
<b>(In thousands)</b>		
<b>Cash flows from operating activities:</b>		
<b>Net (loss) earnings</b>	\$ (33,287)	\$ 2,014
Adjustments to reconcile net (loss) earnings to net cash (used in) provided by operating activities:		
Provision for credit losses	21,611	19,118
Stock-based compensation expense	12,985	2,034
Depreciation	13,999	15,969
Amortization of intangibles	3,804	5,074
Deferred income taxes	(8,133)	(10,268)
Impairment of long-lived and right-of-use assets	22	2,503
Non-cash lease expense	3,352	3,275
Revenue reserves	1,506	2,910
Other adjustments, net	(215)	1,586
Changes in assets and liabilities, net of effects of acquisitions and dispositions:		
Accounts receivable	(37,757)	(34,638)
Other assets	1,930	(2,702)
Accounts payable and other liabilities	20,601	8,804
Operating lease liabilities	(4,454)	(4,265)
Income taxes payable and receivable	1,909	938
Deferred revenue	1,392	2,993
<b>Net cash (used in) provided by operating activities</b>	<b>(735)</b>	<b>15,345</b>
<b>Cash flows from investing activities:</b>		
Capital expenditures	(26,903)	(18,743)
Proceeds from maturities of marketable debt securities	—	50,000
Proceeds from sale of fixed assets	87	—
<b>Net cash (used in) provided by investing activities</b>	<b>(26,816)</b>	<b>31,257</b>
<b>Cash flows from financing activities:</b>		
Principal payments on Term Loan	—	(6,875)
Purchase of treasury stock	(8,144)	(4,916)
Withholding taxes paid on behalf of employees on net settled stock-based awards	(1,322)	(48,168)
Purchase of noncontrolling interests	—	(22,938)
<b>Net cash used in financing activities</b>	<b>(9,466)</b>	<b>(82,897)</b>
<b>Total cash used</b>	<b>(37,017)</b>	<b>(36,295)</b>
Effect of exchange rate changes on cash and cash equivalents and restricted cash	(205)	384
<b>Net decrease in cash and cash equivalents and restricted cash</b>	<b>(37,222)</b>	<b>(35,911)</b>
Cash and cash equivalents and restricted cash at beginning of period	429,485	813,561
<b>Cash and cash equivalents and restricted cash at end of period</b>	<b>\$ 392,263</b>	<b>\$ 777,650</b>

The accompanying [Notes to Consolidated Financial Statements](#) are an integral part of these statements.

**ANGI INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**(Unaudited)**

**NOTE 1—THE COMPANY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****Nature of Operations**

Angi Inc. (“Angi,” the “Company,” “we,” “our,” or “us”) connects quality home service professionals with consumers across more than 500 different categories, from repairing and remodeling homes to cleaning and landscaping. Over 239,000 domestic service professionals actively sought consumer matches, completed jobs, or advertised work through Angi Inc. platforms during the three months ended March 31, 2022. Additionally, consumers turned to at least one of our brands to find a service professional for approximately 32 million projects during the twelve months ended March 31, 2022.

The Company has two operating segments: (i) North America (United States and Canada), which includes Angi Ads, Angi Leads, and Angi Services; and (ii) Europe. In March 2021, the Company rebranded its North American brands which operate as follows: Angi Ads operates under the Angi brand, Angi Leads operates primarily under the HomeAdvisor, powered by Angi brand, and Angi Services operates primarily under the Handy and Angi Roofing brands.

As used herein, “Angi,” the “Company,” “we,” “our,” “us,” and similar terms refer to Angi Inc. and its subsidiaries (unless the context requires otherwise).

At March 31, 2022, IAC/InterActiveCorp (“IAC”) owned 84.5% and 98.2% of the economic interest and voting interest, respectively, of the Company.

**Basis of Presentation and Consolidation**

The Company prepares its consolidated financial statements in accordance with U.S. generally accepted accounting principles (“GAAP”). The consolidated financial statements include the accounts of the Company, all entities that are wholly-owned by the Company and all entities in which the Company has a controlling financial interest. All intercompany transactions and balances between and among the Company and its subsidiaries have been eliminated. All intercompany transactions between (i) Angi Inc. and (ii) IAC and its subsidiaries are considered to be effectively settled for cash at the time the transaction is recorded. See [“Note 10—Related Party Transactions with IAC”](#) for additional information on transactions between Angi Inc. and IAC.

The Company is included within IAC’s tax group for purposes of federal and consolidated state income tax return filings. For the purpose of these financial statements, income taxes have been computed on an as if standalone, separate return basis. Any differences between taxes currently payable to or receivable from IAC under the tax sharing agreement between the Company and IAC and the current tax provision computed on an as if standalone, separate return basis for GAAP are reflected as adjustments to additional paid-in capital and as financing activities within the statement of cash flows.

In management’s opinion, the unaudited interim consolidated financial statements have been prepared on the same basis as the annual consolidated financial statements and reflect all adjustments, consisting of normal and recurring adjustments, necessary for the fair presentation of the Company’s consolidated financial position, consolidated results of operations and consolidated cash flows for the periods presented. Interim results are not necessarily indicative of the results that may be expected for the full year. The accompanying unaudited interim consolidated financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto included in the Company’s Annual Report on Form 10-K for the year ended December 31, 2021.

**COVID-19 Update**

The impact on the Company from the COVID-19 pandemic and the measures designed to contain its spread has been varied and volatile.

As previously disclosed, the impact of COVID-19 on the Company initially resulted in a decline in demand for service requests, driven primarily by decreases in demand in certain categories of jobs (particularly discretionary indoor projects). While we experienced a rebound in service requests from mid-2020 through early 2021, service requests started to decline in May 2021 and continued to decline into the first quarter of 2022 because of Angi Inc.’s brand integration that began in March

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)**  
**(Unaudited)**

2021 and, in late 2021 and early 2022, the Omicron variant surge. Moreover, many service professionals' businesses have been and continue to be adversely impacted by labor and material constraints and many service professionals have limited capacity to take on new business, which continues to negatively impact our ability to monetize service requests. Although our ability to monetize service requests rebounded modestly in the second half of 2021 and first quarter of 2022, we still have not returned to levels we experienced pre-COVID-19. No assurances can be provided that we will continue to be able to improve monetization, or that service professionals' businesses and, as a consequence, our revenue and profitability will not continue to be adversely impacted in the future.

The extent to which developments related to the COVID-19 pandemic and measures designed to curb its spread continue to impact the Company's business, financial condition, and results of operations will depend on future developments, all of which are highly uncertain and many of which are beyond the Company's control, including the continuing spread of COVID-19, the severity of resurgences of COVID-19 caused by variant strains of the virus, the effectiveness of vaccines and attitudes toward receiving them, materials and supply chain constraints, labor shortages, the scope of governmental and other restrictions on travel, discretionary services and other activity, and public reactions to these developments.

### **Accounting Estimates**

Management of the Company is required to make certain estimates, judgments, and assumptions during the preparation of its consolidated financial statements in accordance with GAAP. These estimates, judgments, and assumptions impact the reported amounts of assets, liabilities, revenue, and expenses and the related disclosure of contingent assets and liabilities. Actual results could differ from these estimates.

On an ongoing basis, the Company evaluates its estimates and judgments, including those related to: the fair values of cash equivalents and marketable debt securities; the carrying value of accounts receivable, including the determination of the allowance for credit losses and the determination of revenue reserves; the determination of the customer relationship period for certain costs to obtain a contract with a customer; the carrying value of right-of-use assets ("ROU assets"); the useful lives and recoverability of definite-lived intangible assets and capitalized software, leasehold improvements, and equipment; the recoverability of goodwill and indefinite-lived intangible assets; unrecognized tax benefits; the valuation allowance for deferred income tax assets; and the fair value of and forfeiture rates for stock-based awards, among others. The Company bases its estimates and judgments on historical experience, its forecasts and budgets, and other factors that the Company considers relevant.

### **General Revenue Recognition**

Revenue is recognized when control of the promised goods or services is transferred to the Company's customers and in the amount that reflects the consideration the Company expects to be entitled to in exchange for those goods or services.

The Company's disaggregated revenue disclosures are presented in "[Note 7—Segment Information](#)."

### **Deferred Revenue**

Deferred revenue consists of payments that are received or are contractually due in advance of the Company's performance obligation. The Company's deferred revenue is reported on a contract-by-contract basis at the end of each reporting period. The Company classifies deferred revenue as current when the remaining term of the applicable subscription period or expected completion of its performance obligation is one year or less. At December 31, 2021, the current and non-current deferred revenue balances were \$53.8 million and \$0.1 million, respectively, and during the three months ended March 31, 2022, the Company recognized \$35.5 million of revenue that was included in the deferred revenue balance as of December 31, 2021. At December 31, 2020, the current and non-current deferred revenue balances were \$54.7 million and \$0.2 million, respectively, and during the three months ended March 31, 2021, the Company recognized \$34.4 million of revenue that was included in the deferred revenue balance as of December 31, 2020.

The current and non-current deferred revenue balances at March 31, 2022 are \$55.3 million and \$0.1 million, respectively. Non-current deferred revenue is included in "Other long-term liabilities" in the accompanying consolidated balance sheet.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)**  
**(Unaudited)**

***Practical Expedients and Exemptions***

As permitted under the practical expedient available under Accounting Standard Codification (“ASC”) 606, *Revenue from Contracts with Customers*, the Company does not disclose the value of unsatisfied performance obligations for (i) contracts with an original expected length of one year or less, (ii) contracts with variable consideration that is allocated entirely to unsatisfied performance obligations or to a wholly unsatisfied promise accounted for under the series guidance, and (iii) contracts for which the Company recognizes revenue at the amount which the Company has the right to invoice for services performed.

***Commissions Paid to Employees Pursuant to Sales Incentive Programs***

The Company has determined that commissions paid to employees pursuant to certain sales incentive programs meet the requirements to be capitalized as the incremental costs to obtain a contract with a customer. When customer renewals are expected and the renewal commission is not commensurate with the initial commission, the average customer life includes renewal periods. Capitalized commissions paid to employees pursuant to these sales incentive programs are amortized over the estimated customer relationship period. The Company calculates the anticipated customer relationship period as the average customer life, which is based on historical data.

For sales incentive programs where the anticipated customer relationship period is one year or less, the Company has elected the practical expedient to expense the commissions as incurred.

***Assets Recognized from the Costs to Obtain a Contract with a Customer***

The Company uses a portfolio approach to assess the accounting treatment of the incremental costs to obtain a contract with a customer. The Company recognizes an asset for these costs if we expect to recover those costs. To the extent that these costs are capitalized, the resultant asset is amortized on a systematic basis consistent with the pattern of the transfer of the services to which the asset relates. The current contract assets are \$40.6 million and \$38.0 million at March 31, 2022 and December 31, 2021, respectively. The non-current assets are \$1.3 million and \$1.1 million at March 31, 2022 and December 31, 2021, respectively. The current and non-current capitalized costs to obtain a contract with a customer are included in “Other current assets” and “Other non-current assets” in the accompanying balance sheet.

**Recent Accounting Pronouncements**

There are no recently issued accounting pronouncements adopted or that have not yet been adopted by the Company that are expected to have a material effect on the results of operations, financial condition, or cash flows of the Company.

**NOTE 2—INCOME TAXES**

The Company is included within IAC’s tax group for purposes of federal and consolidated state income tax return filings. In all periods presented, the income tax benefit and/or provision has been computed for the Company on an as if standalone, separate return basis and payments to and refunds from IAC for the Company’s share of IAC’s consolidated federal and state tax return liabilities/receivables calculated on this basis have been reflected within cash flows from operating activities in the accompanying consolidated statement of cash flows. The tax sharing agreement between the Company and IAC governs the parties’ respective rights, responsibilities and obligations with respect to tax matters, including responsibility for taxes attributable to the Company, entitlement to refunds, allocation of tax attributes and other matters and, therefore, ultimately governs the amount payable to or receivable from IAC with respect to income taxes. Any differences between taxes currently payable to or receivable from IAC under the tax sharing agreement and the current tax provision computed on an as if standalone, separate return basis for GAAP are reflected as adjustments to additional paid-in capital in the consolidated statement of shareholders’ equity and financing activities within the consolidated statement of cash flows.

At the end of each interim period, the Company estimates the annual expected effective income tax rate and applies that rate to its ordinary year-to-date earnings or loss. The income tax provision or benefit related to significant, unusual, or extraordinary items, if applicable, that will be separately reported or reported net of their related tax effects are individually computed and recognized in the interim period in which they occur. In addition, the effect of changes in enacted tax laws or

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)**  
**(Unaudited)**

rates, tax status, judgment on the realizability of a beginning-of-the-year deferred tax asset in future years or unrecognized tax benefits is recognized in the interim period in which the change occurs.

The computation of the annual expected effective income tax rate at each interim period requires certain estimates and assumptions including, but not limited to, the expected pre-tax income (or loss) for the year, projections of the proportion of income (and/or loss) earned and taxed in foreign jurisdictions, permanent and temporary differences, and the likelihood of the realization of deferred tax assets generated in the current year. The accounting estimates used to compute the provision or benefit for income taxes may change as new events occur, more experience is acquired, additional information is obtained or the Company's tax environment changes. To the extent that the expected annual effective income tax rate changes during a quarter, the effect of the change on prior quarters is included in income tax provision or benefit in the quarter in which the change occurs.

For the three months ended March 31, 2022, the Company recorded an income tax benefit of \$6.1 million, which represents an effective income tax rate of 15%. For the three months ended March 31, 2022, the effective income tax rate is lower than the statutory rate of 21% due primarily to tax shortfalls generated by the exercise and vesting for stock-based awards and foreign income taxed at different tax rates. For the three months ended March 31, 2021, the Company recorded an income tax benefit of \$9.3 million due primarily to excess tax benefits generated by the exercise and vesting of stock-based awards.

The Company recognizes interest and, if applicable, penalties related to unrecognized tax benefits in the income tax provision. Accruals for interest are not material and there are currently no accruals for penalties.

The Company is routinely under audit by federal, state, local and foreign authorities in the area of income tax as a result of previously filed separate company and consolidated tax returns with IAC. These audits include questioning the timing and the amount of income and deductions and the allocation of income and deductions among various tax jurisdictions. The Internal Revenue Service ("IRS") has substantially completed its audit of IAC's federal income tax returns for the years ended December 31, 2013 through 2017, and is currently auditing the years December 31, 2018 through 2019, which includes the operations of the Company. The statutes of limitations for the years 2013 through 2019 have been extended to December 31, 2023. Returns filed in various other jurisdictions are open to examination for various tax years beginning with 2012. Income taxes payable include unrecognized tax benefits considered sufficient to pay assessments that may result from examination of prior year tax returns. The Company considers many factors when evaluating and estimating its tax positions and tax benefits, which may not accurately anticipate actual outcomes and, therefore, may require periodic adjustment. Although management currently believes changes in unrecognized tax benefits from period to period and differences between amounts paid, if any, upon resolution of issues raised in audits and amounts previously provided will not have a material impact on liquidity, results of operations, or financial condition of the Company, these matters are subject to inherent uncertainties and management's view of these matters may change in the future.

At March 31, 2022 and December 31, 2021, the Company has unrecognized tax benefits of \$6.6 million and \$6.3 million, respectively; all of which are for tax positions included in IAC's consolidated tax return filings. If unrecognized tax benefits at March 31, 2022 are subsequently recognized, the income tax provision would be reduced by \$6.3 million. The comparable amount as of December 31, 2021 is \$6.0 million.

The Company regularly assesses the realizability of deferred tax assets considering all available evidence including, to the extent applicable, the nature, frequency and severity of prior cumulative losses, forecasts of future taxable income, tax filing status, the duration of statutory carryforward periods, available tax planning and historical experience. At March 31, 2022, the Company has a U.S. gross deferred tax asset of \$219.3 million that the Company expects to fully utilize on a more likely than not basis. Of this amount, \$49.7 million will be utilized upon the future reversal of deferred tax liabilities and the remaining net deferred tax asset of \$169.6 million will be utilized based on forecasts of future taxable income. The Company's most significant net deferred tax asset relates to U.S. federal net operating loss ("NOL") carryforwards of \$124.6 million. The Company expects to generate sufficient future taxable income of at least \$593.4 million prior to the expiration of these NOLs, the majority of which expire between 2030 and 2037, and a portion of which never expire, to fully realize this deferred tax asset.

**NOTE 3—FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENTS**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)**  
**(Unaudited)**

**Marketable Debt Securities**

The Company did not hold any available-for-sale marketable debt securities at March 31, 2022 and December 31, 2021.

**Fair Value Measurements**

The Company categorizes its financial instruments measured at fair value into a fair value hierarchy that prioritizes the inputs used in pricing the asset or liability. The three levels of the fair value hierarchy are:

- Level 1: Observable inputs obtained from independent sources, such as quoted market prices for identical assets and liabilities in active markets.
- Level 2: Other inputs, which are observable directly or indirectly, such as quoted market prices for similar assets or liabilities in active markets, quoted market prices for identical or similar assets or liabilities in markets that are not active and inputs that are derived principally from or corroborated by observable market data. The fair values of the Company's Level 2 financial assets are primarily obtained from observable market prices for identical underlying securities that may not be actively traded. Certain of these securities may have different market prices from multiple market data sources, in which case an average market price is used.
- Level 3: Unobservable inputs for which there is little or no market data and require the Company to develop its own assumptions, based on the best information available in the circumstances, about the assumptions market participants would use in pricing the assets or liabilities.

The following tables present the Company's financial instruments that are measured at fair value on a recurring basis:

March 31, 2022				
	Quoted Market Prices for Identical Assets in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Fair Value Measurements
(In thousands)				
<b>Assets:</b>				
Cash equivalents:				
Money market funds	\$ 250,077	\$ —	\$ —	\$ 250,077
Total	\$ 250,077	\$ —	\$ —	\$ 250,077

December 31, 2021				
	Quoted Market Prices for Identical Assets in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Fair Value Measurements
(In thousands)				
<b>Assets:</b>				
Cash equivalents:				
Money market funds	\$ 280,052	\$ —	\$ —	\$ 280,052
Total	\$ 280,052	\$ —	\$ —	\$ 280,052

**Assets measured at fair value on a nonrecurring basis**

The Company's non-financial assets, such as goodwill, intangible assets, ROU assets, capitalized software, leasehold improvements and equipment are adjusted to fair value only when an impairment is recognized. Such fair value measurements are based predominantly on Level 3 inputs.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)**  
**(Unaudited)**

**Financial instruments measured at fair value only for disclosure purposes**

The following table presents the carrying value and the fair value of financial instruments measured at fair value only for disclosure purposes:

	March 31, 2022		December 31, 2021	
	Carrying Value	Fair Value	Carrying Value	Fair Value
	(In thousands)			
Long-term debt, net <sup>(a)</sup>	\$ (494,730)	\$ (421,500)	\$ (494,552)	\$ (486,875)

<sup>(a)</sup> At March 31, 2022 and December 31, 2021, the carrying value of long-term debt, net includes unamortized debt issuance costs of \$5.3 million and \$5.4 million, respectively.

The fair value of long-term debt is estimated using observable market prices or indices for similar liabilities, which are Level 2 inputs.

**NOTE 4—LONG-TERM DEBT**

Long-term debt consists of:

	March 31, 2022	December 31, 2021
	(In thousands)	
3.875% ANGI Group Senior Notes due August 15, 2028 (“ANGI Group Senior Notes”); interest payable each February 15 and August 15, which commenced February 15, 2021	\$ 500,000	\$ 500,000
Total long-term debt	500,000	500,000
Less: unamortized debt issuance costs	5,270	5,448
<b>Total long-term debt, net</b>	<u>\$ 494,730</u>	<u>\$ 494,552</u>

**ANGI Group Senior Notes**

The ANGI Group Senior Notes were issued on August 20, 2020. At any time prior to August 15, 2023, these notes may be redeemed at a redemption price equal to the sum of the principal amount thereof, plus accrued and unpaid interest and a make-whole premium. Thereafter, these notes may be redeemed at the redemption prices set forth in the indenture governing the notes, plus accrued and unpaid interest thereon, if any, to the applicable redemption date.

The indenture governing the ANGI Group Senior Notes contains a covenant that would limit ANGI Group’s ability to incur liens for borrowed money in the event a default has occurred or ANGI Group’s secured leverage ratio (as defined in the indenture) exceeds 3.75 to 1.0. At March 31, 2022, there were no limitations pursuant thereto.

**ANGI Group Revolving Facility**

The \$250 million ANGI Group Revolving Facility, which otherwise would have expired on November 5, 2023, was terminated effective August 3, 2021. No amounts were ever drawn under the ANGI Group Revolving Facility prior to its termination.

**ANGI Group Term Loan**

During the three months ended March 31, 2021, ANGI Group prepaid \$6.9 million of the ANGI Group Term Loan principal that was otherwise due in the first quarter of 2022 and, as of May 6, 2021, the outstanding balance of the ANGI Group Term Loan was repaid in its entirety.

**NOTE 5—ACCUMULATED OTHER COMPREHENSIVE INCOME**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)**  
**(Unaudited)**

The following tables presents the components of accumulated other comprehensive income and items reclassified out of accumulated other comprehensive income into earnings:

	Three Months Ended March 31,			
	2022		2021	
	Foreign Currency Translation Adjustment	Accumulated Other Comprehensive Income	Foreign Currency Translation Adjustment	Accumulated Other Comprehensive Income
	(In thousands)			
Balance at January 1	\$ 3,309	\$ 3,309	\$ 4,637	\$ 4,637
Balance at March 31	\$ 2,506	\$ 2,506	\$ 4,623	\$ 4,623

At both March 31, 2022 and 2021, there was no tax benefit or provision on the accumulated other comprehensive income.

**NOTE 6—(LOSS) EARNINGS PER SHARE**

The following table sets forth the computation of basic and diluted (loss) earnings per share attributable to Angi Inc. Class A and Class B Common Stock shareholders:

	Three Months Ended March 31,			
	2022		2021	
	Basic	Diluted	Basic	Diluted
	(In thousands, except per share data)			
<b>Numerator:</b>				
Net (loss) earnings	\$ (33,287)	\$ (33,287)	\$ 2,014	\$ 2,014
Net earnings attributable to noncontrolling interests	(103)	(103)	(83)	(83)
Net (loss) earnings attributable to Angi Inc. Class A and Class B Common Stock shareholders	\$ (33,390)	\$ (33,390)	\$ 1,931	\$ 1,931
<b>Denominator:</b>				
Weighted average basic Class A and Class B common stock shares outstanding	502,005	502,005	500,663	500,663
Dilutive securities <sup>(a) (b)</sup>	—	—	—	9,990
Denominator for (loss) earnings per share—weighted average shares	502,005	502,005	500,663	510,653
<b>(Loss) earnings per share attributable to Angi Inc. Class A and Class B Common Stock shareholders:</b>				
(Loss) earnings per share	\$ (0.07)	\$ (0.07)	\$ 0.00	\$ 0.00

<sup>(a)</sup> If the effect is dilutive, weighted average common shares outstanding include the incremental shares that would be issued upon the assumed exercise of stock options and subsidiary denominated equity and vesting of restricted stock units (“RSUs”). For the three months ended March 31, 2022 and 2021, 25.1 million and 5.2 million of potentially dilutive securities, respectively, were excluded from the calculation of diluted earnings per share because their inclusion would have been anti-dilutive. Accordingly, the weighted average basic shares outstanding were used to compute all earnings per share amounts.

<sup>(b)</sup> Market-based awards and performance-based stock units (“PSUs”) are considered contingently issuable shares. Shares issuable upon exercise or vesting of market-based awards and PSUs are included in the denominator for earnings per share if (i) the applicable market or performance condition(s) has been met and (ii) the inclusion of the market-based awards and PSUs is dilutive for the respective reporting periods. For the three months ended March 31, 2022 and 2021, 4.5 million and 1.4 million underlying market-based awards and PSUs, respectively, were excluded from the calculation of diluted earnings per share because the market or performance condition(s) had not been met.



**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)**  
**(Unaudited)**

**NOTE 7—SEGMENT INFORMATION**

The Company has determined its operating segments consistent with how the chief operating decision maker views the businesses. Additionally, the Company considers how the businesses are organized as to segment management and the focus of the businesses with regards to the types of services or products offered or the target market.

The following table presents revenue by reportable segment:

	<b>Three Months Ended March 31,</b>	
	<b>2022</b>	<b>2021</b>
<b>(In thousands)</b>		
<b>Revenue:</b>		
North America	\$ 411,172	\$ 361,041
Europe	24,987	25,988
Total	<u>\$ 436,159</u>	<u>\$ 387,029</u>

The following table presents the revenue of the Company's segments disaggregated by type of service:

	<b>Three Months Ended March 31,</b>	
	<b>2022</b>	<b>2021</b>
<b>(In thousands)</b>		
<b>North America</b>		
Angi Ads and Leads:		
Consumer connection revenue <sup>(a)</sup>	\$ 212,796	\$ 221,430
Advertising revenue <sup>(b)</sup>	63,776	60,747
Membership subscription revenue <sup>(c)</sup>	16,237	16,882
Other revenue	5,226	7,278
Total Angi Ads and Leads revenue	<u>298,035</u>	<u>306,337</u>
Angi Services revenue <sup>(d)</sup>	113,137	54,704
Total North America revenue	<u>411,172</u>	<u>361,041</u>
<b>Europe</b>		
Consumer connection revenue <sup>(e)</sup>	21,803	22,351
Service professional membership subscription revenue	2,890	3,328
Advertising and other revenue	294	309
Total Europe revenue	<u>24,987</u>	<u>25,988</u>
Total revenue	<u>\$ 436,159</u>	<u>\$ 387,029</u>

<sup>(a)</sup> Includes fees paid by service professionals for consumer matches through the Angi Ads and Leads platforms.

<sup>(b)</sup> Includes revenue from service professionals under contract for advertising.

<sup>(c)</sup> Includes membership subscription revenue from service professionals and consumers.

<sup>(d)</sup> Includes revenue from pre-priced offerings and revenue from Angi Roofing.

<sup>(e)</sup> Includes fees paid by service professionals for consumer matches.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)**  
**(Unaudited)**

Geographic information about revenue and long-lived assets is presented below.

	Three Months Ended March 31,	
	2022	2021
(In thousands)		
<b>Revenue</b>		
United States	\$ 405,508	\$ 356,444
All other countries	30,651	30,585
Total	<u>\$ 436,159</u>	<u>\$ 387,029</u>
	March 31, 2022	December 31, 2021
	(In thousands)	
<b>Long-lived assets (excluding goodwill and intangible assets):</b>		
United States	\$ 131,338	\$ 111,136
All other countries	6,694	7,131
Total	<u>\$ 138,032</u>	<u>\$ 118,267</u>

The following tables present operating loss and Adjusted EBITDA by reportable segment:

	Three Months Ended March 31,	
	2022	2021
(In thousands)		
<b>Operating loss:</b>		
North America	\$ (29,654)	\$ 9,577
Europe	(4,303)	(9,468)
Total	<u>\$ (33,957)</u>	<u>\$ 109</u>
	Three Months Ended March 31,	
	2022	2021
(In thousands)		
<b>Adjusted EBITDA<sup>(f)</sup>:</b>		
North America	\$ 341	\$ 31,165
Europe	<u>(3,510)</u>	<u>(7,979)</u>

<sup>(f)</sup> The Company's primary financial measure is Adjusted EBITDA, which is defined as operating loss excluding: (1) stock-based compensation expense; (2) depreciation; and (3) acquisition-related items consisting of amortization of intangible assets and impairments of goodwill and intangible assets, if applicable.

The following tables reconcile operating loss for the Company's reportable segments and net loss attributable to Angi Inc. shareholders to Adjusted EBITDA:

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)**  
**(Unaudited)**

	Three Months Ended March 31, 2022				
	Operating Loss	Stock-Based Compensation Expense	Depreciation	Amortization of Intangibles	Adjusted EBITDA
	(In thousands)				
North America	\$ (29,654)	\$ 12,994	\$ 13,197	\$ 3,804	\$ 341
Europe					
	(33,957)				
Other expense, net	(391)				
Loss before income taxes	(39,370)				
Income tax benefit	6,083				
Net loss	(33,287)				
Net earnings attributable to noncontrolling interests	(103)				
Net loss attributable to Angi Inc. shareholders	\$ (33,390)				

	Three Months Ended March 31, 2021				
	Operating Income (Loss)	Stock-Based Compensation Expense	Depreciation	Amortization of Intangibles	Adjusted EBITDA
	(In thousands)				
	109				
Other income, net	(767)				
Income tax benefit	9,289				
Net earnings	2,014				
Net earnings attributable to noncontrolling interests	(83)				
Net earnings attributable to Angi Inc. shareholders	\$ 1,931				

**NOTE 8—CONSOLIDATED FINANCIAL STATEMENT DETAILS**

**Cash and Cash Equivalents and Restricted Cash**

The following table provides a reconciliation of cash and cash equivalents and restricted cash reported within the accompanying balance sheet to the total amounts shown in the accompanying statement of cash flows:

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)**  
**(Unaudited)**

	March 31, 2022	December 31, 2021	March 31, 2021	December 31, 2020
	(In thousands)			
				407
Restricted cash included in other non-current assets	885	1,193	433	449
Total cash and cash equivalents, and restricted cash as shown on the consolidated statement of cash flows	\$ 392,263	\$ 429,485	\$ 777,650	\$ 813,561

Restricted cash included in other current assets at March 31, 2022 primarily consisted of cash reserved to fund insurance claims.

Restricted cash included in other current assets at December 31, 2021, March 31, 2021 and December 31, 2020 consisted of cash reserved to fund insurance claims and cash received from customers through the marketplace platforms, representing funds collected for payments to service providers, which were not settled as of the period end.

Restricted cash included in other non-current assets for all periods presented above primarily consisted of deposits related to leases. Restricted cash included in other non-current assets at March 31, 2022 and December 31, 2021 also included cash held related to a check endorsement guarantee for Angi Roofing.

**Credit Losses and Revenue Reserve**

The following table presents the changes in the credit loss reserve for the three months ended March 31, 2022 and 2021:

	2022	2021
	(In thousands)	
Balance at January 1	\$ 33,652	\$ 26,046
Current period provision for credit losses	21,586	19,118
Write-offs charged against the credit loss reserve	(21,371)	(20,570)
Recoveries collected	1,213	758
Balance at March 31	\$ 35,080	\$ 25,352

The revenue reserve was \$2.7 million and \$3.5 million at March 31, 2022 and 2021, respectively. The total allowance for credit losses and revenue reserve was \$37.8 million and \$28.9 million as of March 31, 2022 and 2021, respectively.

**Accumulated Amortization and Depreciation**

The following table provides the accumulated amortization and depreciation within the consolidated balance sheet:

Asset Category	March 31, 2022	December 31, 2021
	(In thousands)	
Right-of-use assets (included in "other non-current assets")	\$ 45,622	\$ 40,757
Capitalized software, leasehold improvements, and equipment	\$ 119,026	\$ 108,235
Intangible assets	\$ 162,346	\$ 159,356

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)**  
**(Unaudited)**

**Other expense, net**

	<b>Three Months Ended March 31,</b>	
	<b>2022</b>	<b>2021</b>
Interest income	\$ 64	\$ 97
Foreign exchange losses	(456)	(860)
Other	1	(4)
<b>Other expense, net</b>	<b>\$ (391)</b>	<b>\$ (767)</b>

**NOTE 9—CONTINGENCIES**

In the ordinary course of business, the Company is a party to various lawsuits. The Company establishes reserves for specific legal matters when it determines that the likelihood of an unfavorable outcome is probable and the loss is reasonably estimable. As a result, a \$4 million legal reserve is established. Management has also identified certain other legal matters where we believe an unfavorable outcome is not probable. Although management currently believes that resolving claims against us, including claims where an unfavorable outcome is reasonably possible, will not have a material impact on the liquidity, results of operations, or financial condition of the Company, these matters are subject to inherent uncertainties and management's view of these matters may change in the future. The Company also evaluates other contingent matters, including income and non-income tax contingencies, to assess the likelihood of an unfavorable outcome and estimated extent of potential loss. It is possible that an unfavorable outcome of one or more of these lawsuits or other contingencies could have a material impact on the liquidity, results of operations, or financial condition of the Company. See "[Note 2—Income Taxes](#)" for additional information related to income tax contingencies.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)**  
**(Unaudited)**

**NOTE 10—RELATED PARTY TRANSACTIONS WITH IAC**

Angi Inc. and IAC have entered into certain agreements to govern their relationship. These agreements include: a contribution agreement; an investor rights agreement; a services agreement; a tax sharing agreement; and an employee matters agreement.

For the three months ended March 31, 2022 and 2021, the Company was charged \$0.4 million and \$1.1 million, respectively, by IAC for services rendered pursuant to the services agreement. There was \$0.5 million of outstanding receivables pursuant to the services agreement at March 31, 2022 and no outstanding receivables pursuant to the services agreement at December 31, 2021. There were no outstanding payables pursuant to the services agreement at March 31, 2022 or December 31, 2021.

Additionally, the Company subleases office space to IAC and charged IAC \$0.4 million and \$0.4 million of rent for the three months ended March 31, 2022 and 2021, respectively. IAC subleases office space to the Company and charged the Company \$0.3 million of rent for the three months ended March 31, 2022. At March 31, 2022 and December 31, 2021, there were no outstanding receivables or payables pursuant to the sublease agreements.

At March 31, 2022 and December 31, 2021, the Company had outstanding payables of \$0.8 million and \$0.3 million, respectively, due to IAC pursuant to the tax sharing agreement, which are included in “Accrued expenses and other current liabilities,” in the accompanying consolidated balance sheet. There were no payments to or refunds from IAC pursuant to this agreement during the three months ended March 31, 2022 and 2021.

For the three months ended March 31, 2022, no shares of Angi Inc. Class B common stock were issued to IAC pursuant to the employee matters agreement as reimbursement for shares of IAC common stock issued in connection with the exercise and vesting of IAC equity awards held by Angi Inc. employees. For the three months ended March 31, 2021, 0.1 million shares of Angi Inc. Class B common stock were issued to IAC pursuant to the employee matters agreement. For the three months ended March 31, 2022, no shares of Angi Inc. Class A common stock were issued to IAC pursuant to the employee matters agreement as reimbursement for IAC common stock issued in connection with the exercise and settlement of certain Angi Inc. stock appreciation rights. For the three months ended March 31, 2021, 2.6 million shares of Angi Inc. Class A common stock were issued to IAC pursuant to the employee matters agreement.

**Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations****GENERAL****Management Overview**

Angi Inc. ("Angi," the "Company," "we," "our," or "us") connects quality home service professionals with consumers across more than 500 different categories, from repairing and remodeling homes to cleaning and landscaping. Approximately 239,000 transacting service professionals actively sought consumer matches, completed jobs, or advertised work through Angi Inc. platforms during the three months ended March 31, 2022. Additionally, consumers turned to at least one of our brands to find a professional for approximately 32 million projects during the twelve months ended March 31, 2022.

The Company has two operating segments: (i) North America (United States and Canada), which includes Angi Ads, Angi Leads, and Angi Services; and (ii) Europe. In March 2021, the Company rebranded its North American brands which operate as follows: Angi Ads operates under the Angi brand, Angi Leads operates primarily under the HomeAdvisor, powered by Angi brand, and Angi Services operates primarily under the Handy and Angi Roofing brands.

For a more detailed description of the Company's operating businesses, see the Company's Annual Report on Form 10-K for the year ended December 31, 2021.

**Defined Terms and Operating Metrics:**

Unless otherwise indicated or as the context otherwise requires, certain terms, which include the principal operating metrics we use in managing our business, are defined below:

- **Angi Ads and Leads Revenue** primarily reflects domestic ads and leads revenue, including consumer connection revenue for consumer matches, revenue from service professionals under contract for advertising and membership subscription revenue from service professionals and consumers.
- **Angi Services Revenue** primarily reflects domestic revenue from pre-priced offerings by which the consumer purchases services directly from the Company and the Company engages a service professional to perform the service and includes revenue from Total Home Roofing, Inc. ("Angi Roofing"), which was acquired on July 1, 2021.
- **Angi Service Requests ("Service Requests")** are fully completed and submitted domestic customer service requests and includes Angi Services requests in the period.
- **Angi Monetized Transactions** are fully completed and submitted domestic customer service requests that were matched to and paid for by a service professional and includes completed and in-process Angi Services jobs in the period.
- **Angi Transacting Service Professionals ("Transacting SPs")** are the number of service professionals that paid for consumer matches through Angi Leads or performed an Angi Services job during the most recent quarter.
- **Angi Advertising Service Professionals ("Advertising SPs")** are the number of service professionals under contract for advertising at the end of the period.
- **Senior Notes** - On August 20, 2020, ANGI Group, LLC ("ANGI Group"), a direct wholly-owned subsidiary of the Company, issued \$500.0 million of its 3.875% Senior Notes due August 15, 2028, with interest payable February 15 and August 15 of each year, which commenced February 15, 2021.

**Components of Results of Operations****Sources of Revenue**

Angi Ads and Leads Revenue is primarily derived from (i) advertising revenue, which includes revenue from service professionals under contract for advertising, (ii) consumer connection revenue, which is comprised of fees paid by service professionals for consumer matches (regardless of whether the service professional ultimately provides the requested service), and (iii) membership subscription revenue from service professionals and consumers. Consumer connection revenue varies based upon several factors including the service requested, product experience offered, and geographic location of service. Angi

Services is primarily comprised of revenue from jobs (i) sourced through the “Book Now” feature which allows consumers to book and schedule on demand (ii) under managed projects (including Angi Roofing) which are larger home improvement projects, and (iii) through retail partnerships for installation of furniture or other household items.

**Operating Costs and Expenses:**

- **Cost of revenue** - consists primarily of (i) payments made to independent service professionals who perform work contracted under Angi Services arrangements, (ii) credit card processing fees, (iii) hosting fees, and (iv) roofing materials costs associated with Angi Roofing.
- **Selling and marketing expense** - consists primarily of (i) advertising expenditures, which include online marketing, including fees paid to search engines, (ii) offline marketing, which is primarily television advertising; and partner-related payments to those who direct traffic to our brands, (iii) compensation expense (including stock-based compensation expense) and other employee-related costs for our sales force and marketing personnel, (iv) software license and maintenance costs, and (v) facilities costs.
- **General and administrative expense** - consists primarily of (i) compensation expense (including stock-based compensation expense) and other employee-related costs for personnel engaged in executive management, finance, legal, tax, human resources and customer service functions, (ii) fees for professional services (including transaction-related costs related to acquisitions), (iii) provision for credit losses, (iv) software license and maintenance costs, and (v) facilities costs. Our customer service function includes personnel who provide support to our service professionals and consumers.
- **Product development expense** - consists primarily of (i) compensation expense (including stock-based compensation expense) and other employee-related costs that are not capitalized for personnel engaged in the design, development, testing and enhancement of product offerings and related technology and (ii) software license and maintenance costs.

**Non-GAAP financial measure**

**Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization (“Adjusted EBITDA”)** is a non-GAAP financial measure. See [“Principles of Financial Reporting”](#) for the definition of Adjusted EBITDA and a reconciliation of net (loss) earnings attributable to Angi Inc. shareholders to operating (loss) income to consolidated Adjusted EBITDA for the three months ended March 31, 2022 and 2021.

**Brand Integration Initiative**

In March 2021, the Company changed its name to Angi Inc. and updated one of its leading websites and brands, Angie’s List, to Angi, and since then, has concentrated its marketing investment in the Angi brand in order to focus its marketing, sales, and branding efforts on a single brand.

We rely heavily on free, or organic, search results from search engine optimization, and paid search engine marketing to drive traffic to our websites. Our brand integration initiative has adversely affected the placement and ranking of Angi Inc. websites, particularly Angi.com, in organic search results as Angi does not have the same domain history as Angie’s List. In addition, we shifted marketing to support Angi, away from HomeAdvisor, powered by Angi, which has negatively affected the efficiency of our search engine marketing efforts.

Since the beginning of the integration process, these efforts have had a pronounced negative impact on service requests from organic search results, which in turn has resulted in increased paid search engine marketing to generate service requests. These factors have increased marketing spend and reduced revenue materially more than expected since the launch of the brand initiative in March 2021. We expect the pronounced negative impact to organic search results, the increased paid search engine marketing costs, and the reduced monetization from our mobile applications to continue until such time as the new brand establishes search engine optimization ranking and consumer awareness is established.

**Angi Services Investment**

Angi Services was launched in August 2019 and we have invested significantly in Angi Services and expect to continue to do so going forward. Since the launch of Angi Services, we have experienced and expect significant future revenue growth as we expand the business, refine the overall experience, and increase penetration in certain geographies and service categories.



This increased investment in Angi Services has contributed to losses for the Company for the three months ended March 31, 2022 and this investment is expected to continue through at least 2023.

### COVID-19 Update

The impact on the Company from the COVID-19 pandemic and the measures designed to contain its spread has been varied and volatile.

As previously disclosed, the impact of COVID-19 on the Company initially resulted in a decline in demand for service requests, driven primarily by decreases in demand in certain categories of jobs (particularly discretionary indoor projects). While we experienced a rebound in service requests from mid-2020 through early 2021, service requests started to decline in May 2021 and continued to decline into the first quarter of 2022 because of Angi Inc.'s brand integration that began in March 2021 and, in late 2021 and early 2022, the Omicron variant surge. Moreover, many service professionals' businesses have been and continue to be adversely impacted by labor and material constraints and many service professionals have limited capacity to take on new business, which continues to negatively impact our ability to monetize service requests. Although our ability to monetize service requests rebounded modestly in the second half of 2021 and first quarter of 2022, we still have not returned to levels we experienced pre-COVID-19. No assurances can be provided that we will continue to be able to improve monetization, or that service professionals' businesses and, as a consequence, our revenue and profitability will not continue to be adversely impacted in the future.

The extent to which developments related to the COVID-19 pandemic and measures designed to curb its spread continue to impact the Company's business, financial condition, and results of operations will depend on future developments, all of which are highly uncertain and many of which are beyond the Company's control, including the continuing spread of COVID-19, the severity of resurgences of COVID-19 caused by variant strains of the virus, the effectiveness of vaccines and attitudes toward receiving them, materials and supply chain constraints, labor shortages, the scope of governmental and other restrictions on travel, discretionary services and other activity, and public reactions to these developments.

**Results of Operations for the three months ended March 31, 2022 compared to the three months ended March 31, 2021**
**Revenue**

	Three Months Ended March 31,			
	2022	\$ Change	% Change	2021
(Dollars in thousands)				
<b>North America</b>				
Angi Ads and Leads:	\$ 212,796	\$ (8,634)	(4)%	\$ 221,430
	16,237	(645)	(4)%	16,882
	298,035	(8,302)	(3)%	306,337
	411,172	50,131	14%	361,041
	\$ 436,159	\$ 49,130	13%	\$ 387,029

**Percentage of Total Revenue:**

North America	94 %	93 %
Europe	6 %	7 %
Total revenue	100 %	100 %

	Three Months Ended March 31,			
	2022	Change	% Change	2021
(In thousands, rounding differences may occur)				
<b>Operating metrics:</b>				
Service Requests	6,701	(1,008)	(13)%	7,709
Monetized Transactions	3,889	(304)	(7)%	4,193
Transacting SPs	204	(8)	(4)%	212
Advertising SPs	35	(5)	(11)%	40

North America revenue increased \$50.1 million, or 14%, driven by growth of \$58.4 million, or 107%, in Angi Services revenue, partially offset by a decrease in Angi Ads and Leads of \$8.3 million, or 3%. Angi Services revenue growth is due primarily to Angi Roofing, acquired July 1, 2021, and to a lesser extent, organic growth. The decrease in Angi Ads and Leads revenue is primarily due to a decrease in Service Requests during the quarter of 13%.

Europe revenue decreased \$1.0 million, or 4%, due to the \$1.5 million unfavorable impact of the strengthening of the U.S dollar relative to the Euro and the British Pound, which more than offset \$0.5 million of revenue growth expressed in constant currency.

**Cost of revenue**

	Three Months Ended March 31,			
	2022	\$ Change	% Change	2021
(Dollars in thousands)				
Cost of revenue (exclusive of depreciation shown separately below)	\$ 98,998	\$ 45,170	84%	\$ 53,828
As a percentage of revenue	23%			14%

North America cost of revenue increased \$45.2 million, or 85%, and increased as a percentage of revenue, due primarily to \$27.2 million of costs attributable to Angi Roofing acquired July 1, 2021, primarily for roofing materials and third-party contractors. The remaining increase is primarily due the growth of Angi Services including costs incurred for third-party service professionals for other Angi Services arrangements.

***Selling and marketing expense***

	Three Months Ended March 31,			
	2022	\$ Change	% Change	2021
	(Dollars in thousands)			
Selling and marketing expense	\$ 225,801	\$ 19,961	10%	\$ 205,840
As a percentage of revenue	52%			53%

North America selling and marketing expense increased \$19.2 million, or 10%, driven by increases in advertising expense of \$8.9 million, expense of \$6.2 million from inclusion of Angi Roofing, an increase in consulting costs of \$2.8 million and an increase in software maintenance costs of \$1.6 million, partially offset by decreases in lease expense of \$1.5 million and compensation expense of \$1.0 million. The increase in advertising expense was due primarily to an increase in television spend of \$11.4 million offset by decreases in online and app advertising of \$4.1 million. The increase in television spend in 2022 reflects the return to historical spending levels as compared to the cost cutting initiatives during 2021 due to the impact of COVID-19 and is consistent with 2020 spend prior to COVID-19. The increase in consulting and software maintenance costs was due primarily to various sales initiatives at Angi Services. The decrease in lease expense is a result of the Company reducing its real estate footprint in 2021. The decrease in compensation expense was due primarily to decreased commission expense.

Europe selling and marketing expense increased \$0.7 million, or 5%, driven by an increase in advertising expense of \$1.0 million partially offset by a decrease in compensation expense of \$0.4 million.

***General and administrative expense***

	Three Months Ended March 31,			
	2022	\$ Change	% Change	2021
	(Dollars in thousands)			
General and administrative expense	\$ 109,655	\$ 21,493	24%	\$ 88,162
As a percentage of revenue	25%			23%

North America general and administrative expense increased \$28.5 million, or 39%, due primarily to an increase of \$15.0 million in compensation expense, \$6.9 million of expense from the inclusion of Angi Roofing, \$4.7 million in professional fees and \$1.9 million in software maintenance costs. The increase in compensation expense is due to an increase of \$8.9 million in stock-based compensation expense and an increase of \$4.6 million in wage-related expense. The increase in stock-based compensation expense is the result of the reversal of previously recognized stock-based compensation as a result of the forfeiture of unvested awards due to management departures in the first quarter of 2021 and new awards granted since Q1 2021. The increase in professional fees is due primarily to an increase in legal fees and outsourced personnel costs, and to a lesser extent, recruiting fees. The increase in outsourced personnel costs is due primarily to an increase in call volume related to our customer service function. The increase in software license and maintenance expense is due primarily to increased spend on software to support our customer service function.

Europe general and administrative expense decreased \$7.0 million, or 48%, driven by a decrease in compensation expense of \$7.1 million which was caused by a one-time expense of \$6.0 million related to the acquisition of an additional 21% interest in MyBuilder in the first quarter of 2021, lower headcount, and lower average compensation.

***Product development expense***

	Three Months Ended March 31,			
	2022	\$ Change	% Change	2021
	(Dollars in thousands)			
Product development expense	\$ 17,859	\$ (188)	(1)%	\$ 18,047
As a percentage of revenue	4%			5%

North America product development expense decreased \$0.9 million, or 6%, due primarily to decreases in compensation expense of \$1.5 million and lease expense of \$0.6 million, partially offset by an increase in software license and maintenance expense of \$0.7 million and an increase in outsourced personnel and consulting costs of \$0.4 million. The decrease in compensation expense is primarily due to an increase in capitalized wages from additional capitalized software projects and a reduction in headcount.

Europe product and development expense increased \$0.7 million, or 16%, due to an increase in compensation expense of \$0.5 million from higher headcount and higher average compensation.

### **Depreciation**

	Three Months Ended March 31,		
	2022	\$ Change	% Change

(Dollars in thousands)

3%

4%

North America depreciation in 2022 decreased \$1.4 million, or 9%, due primarily to the write-off of certain capitalized software projects in the three-months ended March 31, 2021.

Europe depreciation in 2022 decreased \$0.6 million, or 42%, as capitalized software projects reached the end of their depreciable lives.

### **Operating (loss) income**

	Three Months Ended March 31,		
	2022	\$ Change	% Change

(Dollars in thousands)

North America	\$ (29,654)	\$ (39,231)	NM	\$ 9,577
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Total	\$ (33,957)	\$ (34,066)	NM	\$ 109
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As a percentage of revenue	(8)%			—%
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NM = Not meaningful

North America operating income decreased \$39.2 million to a loss of \$29.7 million due to a decrease in Adjusted EBITDA of \$30.8 million, described below, and an increase of \$11.0 million in stock-based compensation expense, partially offset by decreases of \$1.4 million in depreciation expense and \$1.3 million in amortization of intangibles expense. The increase in stock-based compensation expense was due primarily due to the reversal of previously recognized stock-based compensation due to forfeitures from management departures in the first quarter of 2021 and new awards granted since the first quarter of 2021, noted above. The decrease in depreciation primarily to the write-off of certain capitalized software projects in the three-months ended March 31, 2021. The decrease in the amortization of intangibles was due primarily to certain intangible assets becoming fully amortized during 2021.

Europe operating loss increased \$5.2 million to a loss of \$4.3 million due primarily to an increase in Adjusted EBITDA loss of \$4.5 million, described below, and a decrease in depreciation expense of \$0.6 million.

At March 31, 2022, there is \$111.2 million of unrecognized compensation cost, net of estimated forfeitures, related to all equity-based awards, which is expected to be recognized over a weighted average period of approximately 3 years.

**Adjusted EBITDA**

	Three Months Ended March 31,			
	2022	\$ Change	% Change	2021
	(Dollars in thousands)			
North America	\$ 341	\$ (30,824)	(99)%	\$ 31,165
Total	\$ (3,169)	\$ (26,355)	NM	\$ 23,186
As a percentage of revenue	(1)%			6%

For a reconciliation of net loss attributable to Angi Inc. shareholders to operating loss to consolidated Adjusted EBITDA, see “[Principles of Financial Reporting](#).” For a reconciliation of operating loss to Adjusted EBITDA for the Company’s reportable segments, see “[Note 7—Segment Information](#)” to the consolidated financial statements included in “[Item 1. Consolidated Financial Statements](#).”

North America Adjusted EBITDA decreased \$30.8 million, or 99%, to \$0.3 million, and decreased as a percentage of revenue, despite higher revenue of \$50.1 million, due primarily to an increases in cost of revenue of \$45.2 million, general and administrative expense of \$28.5 million, and selling and marketing expense of \$19.2 million, each of which are explained above.

Europe Adjusted EBITDA increased \$4.5 million, as general and administrative expenses were lower by \$7.0 million, which was partially offset by lower revenue of \$1.0 million and higher selling and marketing expense of \$0.7 million, and product development expense of \$0.7 million, each of which are described above.

**Interest expense**

Interest expense relates to interest on the ANGI Group Senior Notes, ANGI Group Term Loan, and commitment fees on the ANGI Group Revolving Facility. As of May 6, 2021, the outstanding balance of the ANGI Group Term Loan was repaid in its entirety. The ANGI Group Revolving Facility was terminated effective August 3, 2021. No amounts were ever drawn under the ANGI Group Revolving Facility prior to its termination.

For a detailed description of long-term debt, net, see “[Note 4—Long-term Debt](#)” to the consolidated financial statements included in “[Item 1. Consolidated Financial Statements](#).”

	Three Months Ended March 31,			
	2022	\$ Change	% Change	2021
	(In thousands)			
Interest expense	\$ 5,022	\$ (1,595)	(24)%	\$ 6,617

Interest expense decreased primarily due to the repayment of the ANGI Group Term Loan during the second quarter of 2021.

**Other expense, net**

	Three Months Ended March 31,			
	2022	\$ Change	% Change	2021
	(In thousands)			
Other expense, net	\$ (391)	\$ 376	49%	\$ (767)

Other expense, net in 2022 principally includes a net foreign currency exchange loss of \$0.5 million.

Other expense, net in 2021 principally includes foreign currency exchange losses of \$0.9 million, partially offset by interest income of \$0.1 million.

***Income tax benefit***

	2022	Three Months Ended March 31, \$ Change      % Change (Dollars in thousands)		2021
Income tax benefit	\$ 6,083	\$ (3,206)	(35)%	\$ 9,289
Effective income tax rate	15%			NM

For further details of income tax matters, see “[Note 2—Income Taxes](#)” to the consolidated financial statements included in “[Item 1. Consolidated Financial Statements](#).”

In 2022, the effective income tax rate was lower than the statutory rate of 21%, due primarily to tax shortfalls generated by the exercise and vesting of stock-based awards and foreign income taxed at different tax rates.

In 2021, the income tax benefit was due primarily to excess tax benefits generated by the exercise and vesting of stock-based awards.

## PRINCIPLES OF FINANCIAL REPORTING

We report Adjusted EBITDA as a supplemental measure to U.S. generally accepted accounting principles (“GAAP”). This measure is one of the primary metrics by which we evaluate the performance of our businesses, on which our internal budgets are based and by which management is compensated. We believe that investors should have access to, and we are obligated to provide, the same set of tools that we use in analyzing our results. This non-GAAP measure should be considered in addition to results prepared in accordance with GAAP, but should not be considered a substitute for or superior to GAAP results. We endeavor to compensate for the limitations of the non-GAAP measure presented by providing the comparable GAAP measure with equal or greater prominence and descriptions of the reconciling items, including quantifying such items, to derive the non-GAAP measure. We encourage investors to examine the reconciling adjustments between the GAAP and non-GAAP measure, which we discuss below.

### Definition of Non-GAAP Measure

*Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization (“Adjusted EBITDA”)* is defined as operating income excluding: (1) stock-based compensation expense; (2) depreciation; and (3) acquisition-related items consisting of amortization of intangible assets and impairments of goodwill and intangible assets, if applicable. We believe this measure is useful for analysts and investors as this measure allows a more meaningful comparison between our performance and that of our competitors. Adjusted EBITDA has certain limitations because it excludes the impact of these expenses.

The following table reconciles net (loss) earnings attributable to Angi Inc. shareholders to operating (loss) income to consolidated Adjusted EBITDA:

	Three Months Ended March 31,			
	2022	2021		
	(In thousands)			
<b>Net (loss) earnings attributable to Angi Inc. shareholders</b>	\$	(33,390)	\$	1,931
Add back:				
Net earnings attributable to noncontrolling interests		103		83
Income tax benefit		(6,083)		(9,289)
Other income, net		391		767
Interest expense		5,022		6,617
<b>Operating (loss) income</b>		(33,957)		109
Add back:				
Stock-based compensation expense		12,985		2,034
Depreciation		13,999		15,969
Amortization of intangibles		3,804		5,074
<b>Adjusted EBITDA</b>	\$	(3,169)	\$	23,186

For a reconciliation of operating (loss) income to Adjusted EBITDA for the Company’s reportable segments, see “[Note 7—Segment Information](#)” to the consolidated financial statements included in “[Item 1. Consolidated Financial Statements](#).”

### Non-Cash Expenses That Are Excluded from Our Non-GAAP Measure

*Stock-based compensation expense* consists of expense associated with the grants, including unvested grants assumed in acquisitions, of stock appreciation rights, restricted stock units (“RSUs”), stock options, performance-based RSUs (“PSUs”) and market-based awards. These expenses are not paid in cash and we view the economic costs of stock-based awards to be the dilution to our share base; we also include the related shares in our fully diluted shares outstanding for GAAP earnings per share using the treasury stock method. PSUs and market-based awards are included only to the extent the applicable performance or market condition(s) have been met (assuming the end of the reporting period is the end of the contingency period). The Company is currently settling all stock-based awards on a net basis and remits the required tax-withholding amounts from its current funds.

*Depreciation* is a non-cash expense relating to our capitalized software, leasehold improvements and equipment and is computed using the straight-line method to allocate the cost of depreciable assets to operations over their estimated useful lives, or, in the case of leasehold improvements, the lease term, if shorter.

*Amortization of intangible assets and impairments of goodwill and intangible assets* are non-cash expenses related primarily to acquisitions. At the time of an acquisition, the identifiable definite-lived intangible assets of the acquired company, such as service professional relationships, technology, memberships, customer lists and user base, and trade names, are valued and amortized over their estimated lives. Value is also assigned to acquired indefinite-lived intangible assets, which comprise trade names and trademarks, and goodwill that are not subject to amortization. An impairment is recorded when the carrying value of an intangible asset or goodwill exceeds its fair value. We believe that intangible assets represent costs incurred by the acquired company to build value prior to acquisition and the related amortization and impairments of intangible assets or goodwill, if applicable, are not ongoing costs of doing business.



**FINANCIAL POSITION, LIQUIDITY, AND CAPITAL RESOURCES****Financial Position**

	March 31, 2022	December 31, 2021
	(In thousands)	
<b>Cash and cash equivalents:</b>		
United States	\$ 364,703	\$ 404,277
All other countries	26,583	23,859
<b>Total cash and cash equivalents</b>	<b>\$ 391,286</b>	<b>\$ 428,136</b>
<b>Long-term debt:</b>		
Senior Notes	\$ 500,000	\$ 500,000
<b>Total long-term debt</b>	<b>500,000</b>	<b>500,000</b>
Less: unamortized debt issuance costs	5,270	5,448
<b>Total long-term debt, net</b>	<b>\$ 494,730</b>	<b>\$ 494,552</b>

At March 31, 2022, all of the Company's international cash can be repatriated without significant tax consequences.

**Cash Flow Information**

In summary, the Company's cash flows are as follows:

	Three Months Ended March 31,	
	2022	2021
	(In thousands)	
Net cash (used in) provided by:		
Operating activities	\$ (735)	\$ 6,209
Investing activities	\$ (26,816)	\$ (45,072)
Financing activities	\$ (9,466)	\$ (345,168)

Net cash provided by operating activities consists of earnings adjusted for non-cash items and the effect of changes in working capital. Non-cash adjustments include stock-based compensation expense, provision for credit losses, amortization of intangibles, depreciation, impairment of long-lived and right-of-use assets, non-cash lease expense, and deferred income taxes.

**2022**

Adjustments to earnings consist primarily of \$21.6 million of provision for credit losses, \$14.0 million of depreciation, \$13.0 million of stock-based compensation expense, \$3.8 million of amortization of intangibles, and \$3.4 million of non-cash lease expense. The decrease from changes in working capital consists primarily of an increase of \$37.8 million in accounts receivable and a decrease of \$4.5 million in operating lease liabilities, partially offset by increases of \$20.6 million in accounts payable and other liabilities. The increase in accounts receivable is due primarily to revenue growth, primarily attributable to Angi Services. The decrease in operating lease liabilities is due to cash payments on leases net of interest accretion. The increase in accounts payable and other liabilities is due primarily to increases in accrued expenses related to the factors described in the "Brand Integration Initiative" and accrued roofing material costs related to Angi Roofing.

Net cash used in investing activities includes \$26.9 million of capital expenditures, primarily related to investments in capitalized software to support the Company's products and services.

Net cash used in financing activities includes \$8.1 million for the repurchase of 1.0 million shares of Angi Inc. Class A common stock, on a settlement date basis, at an average price of \$7.80 per share and \$1.3 million for the payment of withholding taxes on behalf of employees for stock-based awards that were net settled.

**2021**

Adjustments to earnings consist primarily of \$19.1 million of provision for credit losses, \$16.0 million of depreciation, \$5.1 million of amortization of intangibles, \$2.9 million of revenue reserves, and \$2.0 million of stock-based compensation expense, partially offset by \$10.3 million of deferred income taxes. The decrease from changes in working capital consists primarily of increases in accounts receivable of \$34.6 million, partially offset by increases in accounts payable and other liabilities of \$8.8 million and deferred revenue of \$3.0 million. The increase in accounts payable and other liabilities is due primarily to an increase in accrued advertising and related payables. The increase in deferred revenue is driven primarily by increases in memberships. The increase in accounts receivable is due primarily to revenue growth in North America.

Net cash provided by investing activities includes proceeds of \$50.0 million from the maturities of marketable debt securities, net of capital expenditures of \$18.7 million, primarily related to investments in the development of capitalized software to support the Company's products and services.

Net cash used in financing activities includes \$48.2 million for the payment of withholding taxes on behalf of employees for stock-based awards that were net settled, \$22.9 million for the purchase of redeemable noncontrolling interests, \$6.9 million for the prepayment on the Term Loan required quarterly payments that was otherwise due in the first quarter of 2022, and \$4.9 million for the repurchase of 0.4 million shares of Angi Inc. Class A common stock, on a settlement and trade date basis, at an average price of \$11.85 per share.

**Liquidity and Capital Resources*****Financing Arrangements***

The ANGI Group Senior Notes were issued on August 20, 2020. At any time prior to August 15, 2023, these notes may be redeemed at a redemption price equal to the sum of the principal amount thereof, plus accrued and unpaid interest and a make-whole premium. Thereafter, these notes may be redeemed at the redemption prices set forth in the indenture governing the notes, plus accrued and unpaid interest thereon, if any, to the applicable redemption date.

The indenture governing the ANGI Group Senior Notes contains a covenant that would limit ANGI Group's ability to incur liens for borrowed money in the event a default has occurred or ANGI Group's secured leverage ratio (as defined in the indenture) exceeds 3.75 to 1.0. At March 31, 2022 there were no limitations pursuant thereto.

During the three months ended March 31, 2021, ANGI Group prepaid \$6.9 million of the ANGI Group Term Loan principal that was otherwise due in the first quarter of 2022 and, as of May 6, 2021, the outstanding balance of the ANGI Group Term Loan was repaid in its entirety.

The \$250.0 million ANGI Group Revolving Facility, which otherwise would have expired on November 5, 2023, was terminated effective August 3, 2021. No amounts were ever drawn under the ANGI Group Revolving Facility prior to its termination.

***Share Repurchase Authorizations and Activity***

During the three months ended March 31, 2022, the Company repurchased 1.0 million shares, on a trade date basis, of its common stock at an average price of \$7.80 per share, or \$8.1 million in aggregate. The Company has 15.0 million shares remaining in its share repurchase authorization as of May 6, 2022. The Company may purchase shares over an indefinite period of time on the open market and in privately negotiated transactions, depending on those factors the Company's management deems relevant at any particular time, including, without limitation, market conditions, share price and future outlook.

***Outstanding Stock-based Awards***

The Company may settle equity awards on a gross or a net basis depending upon factors deemed relevant at the time, and if settled on a net basis, Angi remits withholding taxes on behalf of the employee. At IAC's option, certain Angi stock appreciation rights can be settled in either Class A shares of Angi or shares of IAC common stock. If settled in IAC common stock, the Company reimburses IAC in either cash or through the issuance of Class A shares to IAC. The Company currently settles all equity awards on a net basis.

Pursuant to the employee matters agreement, in the event of a distribution of Angi capital stock to IAC stockholders in a transaction intended to qualify as tax-free for U.S. federal income tax purposes, the Compensation Committee of the IAC Board

of Directors has the exclusive authority to determine the treatment of outstanding IAC equity awards. Such authority includes (but is not limited to) the ability to convert all or part of IAC equity awards outstanding immediately prior to the distribution into equity awards denominated in shares of Angi Class A Common Stock for no compensation, which Angi would be obligated to assume and which would be dilutive to Angi's stockholders.

The following table summarizes the aggregate intrinsic value of all awards outstanding as of May 6, 2022; assuming these awards were net settled on that date, the withholding taxes that would be paid by the Company on behalf of employees upon exercise or vesting that would be payable (assuming these equity awards are net settled with a 50% tax rate), and the shares that would have been issued are as follows:

	Aggregate intrinsic value of awards outstanding		Estimated withholding taxes payable (In thousands)	Estimated shares to be issued
Stock appreciation rights	\$ 943	\$	471	115
Other equity awards <sup>(a)(b)</sup>	88,069		43,637	10,811
Total outstanding employee stock-based awards	\$ 89,012	\$	44,108	10,926

(a) Includes stock options, RSUs, and subsidiary denominated equity.

(b) The number of shares ultimately needed to settle subsidiary denominated equity awards and the cash withholding tax obligation may vary significantly as a result of the determination of the fair value of the relevant award at the time of exercise. In addition, the number of shares required to settle these awards will be impacted by movement in the Company's stock price.

### ***Contractual Obligations***

At March 31, 2022, there have been no material changes outside the ordinary course of business to the Company's contractual obligations since the disclosures for the year ended December 31, 2021, included in the Company's Annual Report on Form 10-K.

### ***Capital Expenditures***

The Company's 2022 capital expenditures are expected to be higher than 2021 capital expenditures of \$70.2 million by approximately 20% to 25%, due primarily to increased investment in capitalized software to support the development of our products and services.

### ***Liquidity Assessment***

The Company's liquidity could be negatively affected by a decrease in demand for its products and services due to COVID-19 or other factors. As described in the "COVID-19 Update" section above, to date, the COVID-19 outbreak and measures designed to curb its spread have adversely impacted the Company's business.

At March 31, 2022, IAC held all Class B shares of Angi Inc., which represent 84.5% of the economic interest and 98.2% of the voting interest of the Company. As a result, IAC has the ability to control Angi Inc.'s financing activities, including the issuance of additional debt and equity securities by Angi Inc. or any of its subsidiaries, or the incurrence of other indebtedness generally. While Angi Inc. is expected to have the ability to access debt and equity markets if needed, such transactions may require the approval of IAC due to its control of the majority of the outstanding voting power of Angi Inc.'s capital stock and its representation on the Angi Inc. board of directors. Additional financing may not be available on terms favorable to the Company or at all. In addition, the Company's existing indebtedness could limit its ability to obtain additional financing.

The Company believes its existing cash, cash equivalents, and expected positive cash flows generated from operations will be sufficient to fund its normal operating requirements, including capital expenditures, debt service, the payment of withholding taxes paid on behalf of employees for net-settled stock-based awards, and investing and other commitments, for the next twelve months. We may elect to raise additional capital through the sale of additional equity or debt financing to fund business activities such as strategic acquisitions, share repurchases, or other purposes beyond the next twelve months.

**Item 3. *Quantitative and Qualitative Disclosures About Market Risk***

During the three months ended March 31, 2022, there have been no material changes to the Company's instruments or positions that are sensitive to market risk since the disclosure in our Annual Report on Form 10-K for the year ended December 31, 2021.

**Item 4. Controls and Procedures**

The Company monitors and evaluates on an ongoing basis its disclosure controls and procedures and internal control over financial reporting in order to improve their overall effectiveness. In the course of these evaluations, the Company modifies and refines its internal processes as conditions warrant.

As required by Rule 13a-15(b) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), the Company’s management, including our principal executive and principal financial officers, or persons performing similar functions, evaluated the effectiveness of the Company’s disclosure controls and procedures as defined by Rule 13a-15(e) under the Exchange Act. Based on this evaluation, management has concluded that the Company’s disclosure controls and procedures were effective as of the end of the period covered by this report in providing reasonable assurance that information we are required to disclose in our filings with the Securities and Exchange Commission under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Commission’s rules and forms, and include controls and procedures designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is accumulated and communicated to our management, including our principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosure.

There were no changes to the Company’s internal control over financial reporting during the period covered by this report that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

**PART II****OTHER INFORMATION****Item 1. Legal Proceedings****Overview**

In the ordinary course of business, the Company and its subsidiaries are (or may become) parties to claims, suits, regulatory and government investigations, and other proceedings involving property, personal injury, contract, intellectual property, privacy, tax, labor and employment, competition, commercial disputes, consumer protection and other claims, as well as stockholder derivative actions, class action lawsuits and other matters. Such claims, suits, regulatory and government investigations, and other proceedings could result in fines, civil or criminal penalties, or other adverse consequences and could subject us to costs, including legal fees, require us to change our business practices, divert resources and the attention of management from our business, or otherwise adversely affect our business. The amounts that may be recovered in such matters may be subject to insurance coverage. Although the results of legal proceedings and claims cannot be predicted with certainty, neither the Company nor any of its subsidiaries is currently a party to any legal proceedings, the outcome of which, we believe, if determined adversely to us, would individually or in the aggregate have a material adverse effect on our business, financial condition or results of operations. However, the outcome of such matters is inherently unpredictable and subject to significant uncertainties.

Rules of the Securities and Exchange Commission require the description of material pending legal proceedings (other than ordinary, routine litigation incident to the registrant's business) and advise that proceedings ordinarily need not be described if they primarily involve damages claims for amounts (exclusive of interest and costs) not exceeding 10% of the current assets of the registrant and its subsidiaries on a consolidated basis. In the judgment of Company management, none of the pending proceedings which we are defending, including the ones described below, involve or are likely to involve amounts of that magnitude. The litigation and administrative matters described below involve issues or claims that we believe may be of particular interest to our stockholders, regardless of whether the matters may be material to our financial position or operations, based upon the standard set forth in the rules of the Securities and Exchange Commission.

**FTC Investigation Proceeding Regarding Certain HomeAdvisor Business Practices**

In 2021, the staff of the Federal Trade Commission ("FTC") informed HomeAdvisor that the FTC was investigating certain of HomeAdvisor's business practices. On March 11, 2022, the FTC filed a complaint against HomeAdvisor with the FTC's administrative law judge, alleging that certain of HomeAdvisor's business practices related to leads provided to service professionals and its mHelpDesk product are unfair or deceptive in violation of the FTC Act and requesting injunctive relief. While HomeAdvisor believes that the claims are without merit and is defending vigorously against them, the FTC administrative proceeding is ongoing, and the outcome cannot be predicted at present.

**Service Professional Class Action Litigation against HomeAdvisor**

This purported class action pending in Colorado is described in detail on pages 26-27 of our Annual Report on Form 10-K for the fiscal year ended December 31, 2021. See *Airquip, Inc. et al. v. HomeAdvisor, Inc. et al.*, No. 1:16-cv-1849 and *Costello et al. v. HomeAdvisor, Inc. et al.*, No. 1:18-cv-1802, both filed in U.S. District Court in Colorado and consolidated under the caption *In re HomeAdvisor, Inc. Litigation*. This lawsuit alleges that our HomeAdvisor business engages in certain deceptive practices affecting the service professionals who join its network, including charging them for substandard customer leads or failing to disclose certain charges. There have been no material or otherwise noteworthy developments in this case since the filing of our Annual Report on Form 10-K for the fiscal year ended December 31, 2021. The Company believes that the allegations in this lawsuit are without merit and will continue to defend vigorously against them.

**Item 1A. Risk Factors**

This quarterly report on Form 10-Q contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. The use of words such as "anticipates," "estimates," "expects," "plans," "intends," "will continue," "may," "could" and "believes," among similar expressions, generally identify forward-looking statements. These forward-looking statements include, among others, statements relating to our future business, financial condition, results of operations and financial performance, our business prospects and strategy, trends and prospects in home services industry and other similar matters. These forward-looking statements are based on Company management's expectations and assumptions

about future events as of the date of this report, which are inherently subject to uncertainties, risks and changes in circumstances that are difficult to predict.

Actual results could differ materially from those contained in these forward-looking statements for a variety of reasons, including, among others: (i) the impact of the COVID-19 outbreak on our businesses, (ii) our ability to compete, (iii) the failure or delay of the home services market to migrate online, (iv) adverse economic events or trends (particularly those that adversely impact consumer confidence and spending behavior), (v) our ability to establish and maintain relationships with quality service professionals, (vi) our ability to build, maintain and/or enhance our various brands, including through our Angi brand integration initiative, (vii) our ability to expand our pre-priced bookings offerings, (viii) our ability to market our various products and services in a successful and cost-effective manner, (ix) our ability to drive traffic to our properties and businesses, including through the continued display of links to websites offering our products and services in a prominent manner in search results, (x) our continued ability to communicate with consumers and service professionals via e-mail (or other sufficient means), (xi) our ability to access, share and use personal data about consumers, (xii) our ability to develop and monetize versions of our products and services for mobile and other digital devices, (xiii) any challenge to the contractor classification or employment status of our service professionals, (xiv) our ability to protect our systems, technology and infrastructure from cyberattacks and to protect personal and confidential user information, (xv) the occurrence of data security breaches, fraud and/or additional regulation involving or impacting credit card payments, (xvi) the integrity, quality, efficiency and scalability of our technology systems and infrastructures (and those of third parties with whom we do business), (xvii) operational and financial risks relating to acquisitions and the integration of suitable targets, (xviii) our ability to operate (and expand into) international markets successfully, (xix) our ability to adequately protect our intellectual property rights and not infringe the intellectual property rights of third parties, (xx) changes in key personnel, (xxi) various risks related to our relationship with IAC and (xxii) various risks related to our outstanding indebtedness.

Certain of these and other risks and uncertainties are discussed in our filings with the SEC, including in Part I-Item 1A-Risk Factors of our Annual Report on Form 10-K for the fiscal year ended December 31, 2021. Other unknown or unpredictable factors that could also adversely affect our business, financial condition and operating results may arise from time to time. In light of these risks and uncertainties, the forward-looking statements discussed in this quarterly report may not prove to be accurate. Accordingly, you should not place undue reliance on these forward-looking statements, which only reflect the views of Company management as of the date of this quarterly report. We do not undertake to update these forward-looking statements.

## **Item 2. *Unregistered Sales of Equity Securities and Use of Proceeds***

### **Unregistered Sales of Equity Securities**

The employee matters agreement dated as of September 29, 2017, by and between us and IAC, provides, among other things, that we will reimburse IAC for the cost of certain equity awards held by our current and former employees and that IAC may elect to receive payment either in cash or shares of our capital stock.

Pursuant to the employee matters agreement, no shares of Class A common stock and no shares of Class B common stock were issued to IAC during the quarter ended March 31, 2022.

### **Issuer Purchases of Equity Securities**

The following table sets forth purchases by the Company of its Class A common stock during the three months ended March 31, 2022:

<b>Period</b>	<b>(a) Total Number of Shares Purchased</b>	<b>(b) Average Price Paid Per Share</b>	<b>(c) Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs(1)</b>	<b>(d) Maximum Number of Shares that May Yet Be Purchased Under Publicly Announced Plans or Programs(2)</b>
January 2022	954,447	\$ 7.78	954,447	15,115,389
February 2022	89,675	\$ 7.99	89,675	15,025,714
March 2022	—	\$ —	—	15,025,714
<b>Total</b>	<b>1,044,122</b>	<b>\$ 7.80</b>	<b>1,044,122</b>	<b>15,025,714</b>

(1) Reflects repurchases made pursuant to the share repurchase authorizations previously announced in March 2020.

(2) Represents the total number of shares of Class A common stock that remained available for repurchase as of March 31, 2022 pursuant to the March 2020 share repurchase authorizations. The Company may repurchase shares pursuant to this share repurchase authorization over an indefinite period of time in the open market and in privately negotiated transactions, depending on those factors Company management deems relevant at any particular time, including, without limitation, market conditions, share price and future outlook.



**Item 6. Exhibits**

The documents set forth below, numbered in accordance with Item 601 of Regulation S-K, are filed herewith, incorporated by reference to the location indicated or furnished herewith.

<b>Exhibit Number</b>	<b>Description</b>	<b>Location</b>
3.1	Certificate of Amendment to the Amended and Restated Certificate of Incorporation of Angi Inc.	<a href="#">Exhibit 3.1 to the Registrant's Current Report on Form 8-K, filed on March 17, 2021.</a>
3.2	Amended and Restated Bylaws of Angi Inc.	<a href="#">Exhibit 3.2 to the Registrant's Current Report on Form 8-K, filed on March 17, 2021.</a>
31.1	Certification of the Chief Executive Officer pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. <sup>(1)</sup>	
31.2	Certification of the Chief Financial Officer pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. <sup>(1)</sup>	
32.1	Certification of the Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. <sup>(2)</sup>	
32.2	Certification of the Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. <sup>(2)</sup>	
101.INS	Inline XBRL Instance (the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document)	
101.SCH	Inline XBRL Taxonomy Extension Schema <sup>(1)</sup>	
101.CAL	Inline XBRL Taxonomy Extension Calculation <sup>(1)</sup>	
101.DEF	Inline XBRL Taxonomy Extension Definition <sup>(1)</sup>	
101.LAB	Inline XBRL Taxonomy Extension Labels <sup>(1)</sup>	
101.PRE	Inline XBRL Taxonomy Extension Presentation <sup>(1)</sup>	
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)	

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(1) Filed herewith.

(2) Furnished herewith.

**SIGNATURES**

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Dated: May 10, 2022

**Angi Inc.**

By:

/s/ JEFFREY W. PEDERSEN  
Jeffrey W. Pedersen  
*Chief Financial Officer*

<b>Signature</b>	<b>Title</b>	<b>Date</b>
/s/ JEFFREY W. PEDERSEN Jeffrey W. Pedersen	Chief Financial Officer	May 10, 2022

## Exhibit 31.1

## Certification

I, Oisín Hanrahan, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the quarter ended March 31, 2022 of Angi Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: May 10, 2022

/s/ OISIN HANRAHAN  
Oisín Hanrahan  
Chief Executive Officer

## Exhibit 31.2

## Certification

I, Jeffrey W. Pedersen, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the quarter ended March 31, 2022 of Angi Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: May 10, 2022

/s/ JEFFREY W. PEDERSEN  
Jeffrey W. Pedersen  
Chief Financial Officer

Exhibit 32.1

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

I, Oisin Hanrahan, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that, to my knowledge:

- (1) the Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2022 of Angi Inc. (the "Report") which this statement accompanies fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Angi Inc.

Dated: May 10, 2022

/s/ OISIN HANRAHAN  
Oisin Hanrahan  
*Chief Executive Officer*

Exhibit 32.2

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

I, Jeffrey W. Pedersen, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that, to my knowledge:

- (1) the Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2022 of Angi Inc. (the "Report") which this statement accompanies fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Angi Inc.

Dated: May 10, 2022

/s/ JEFFREY W. PEDERSEN  
Jeffrey W. Pedersen  
*Chief Financial Officer*

**RX0075**

*(Submitted In Camera)*

**RX0076**

*(Submitted In Camera)*



**RX0077**

# ANGI HOMESERVICES

## IAC's HomeAdvisor to Combine with Angie's List

May 1, 2017

- *Creates clear industry leader in \$400 billion home services marketplace*
- *On a pro forma basis, company generated an estimated \$17 billion in transaction value over the last 12 months for more than 200,000 paying service providers across the two platforms*

**NEW YORK and INDIANAPOLIS – May 1, 2017** — IAC (NASDAQ: IAC) and Angie's List, Inc. (NASDAQ: ANGI) today announced they have entered into a definitive agreement to combine IAC's HomeAdvisor and Angie's List into a new publicly-traded company, to be called ANGI Homeservices Inc. The combined business, which will maintain both Angie's List and HomeAdvisor brands, will offer unparalleled scale and product breadth to match homeowners with service professionals in the \$400 billion domestic home services market. The transaction has been approved by the Boards of Directors of both companies, and is expected to close in the fourth quarter of 2017.

"This is now the 10th publicly traded company to emerge from what was one company, in 1995, with \$48 million in sales and a market capitalization of \$201 million – the beginning of IAC. Today, the equity value of the companies created is in excess of \$43 billion, with a compounded annual return of 13.3 percent. While it's hard to predict the future, I think we'll just keep going," said Barry Diller, Chairman of IAC and Expedia, Inc.

Under the terms of the agreement, Angie's List stockholders will have the right to elect to receive either one share of Class A common stock of ANGI Homeservices Inc. or \$8.50 per share in cash, for each share of Angie's List stock that they own, with the total amount of cash available in the transaction capped at \$130 million. Depending upon the number of Angie's List stockholders electing to receive cash, upon completion of the transaction, IAC will own between approximately 87 percent and approximately 90 percent of the equity value of the combined company.

The transaction combines the power of Angie's List's well-known brand and large audience with IAC's home services category leader HomeAdvisor. HomeAdvisor has the industry's largest network of paying, high quality service professionals and a consumer product driving seven consecutive quarters of domestic revenue growth in excess of 35 percent. The combined company will have a target five-year compound annual growth rate of revenue of 20 to 25 percent, and a target Adjusted EBITDA margin that will ramp to approximately 35 percent.

HomeAdvisor CEO Chris Terrill will assume the role of CEO of ANGI Homeservices Inc., whose headquarters will be based out of HomeAdvisor's Golden, Colorado location. IAC CEO Joey Levin will also serve as Chairman of the Board of Directors. Thomas R. Evans, current Chairman of the Board of Directors of Angie's List, and Angie Hicks, Angie's List co-founder and CMO, are expected to join the board of ANGI Homeservices Inc.

Key benefits of the combination include:

- **Scale:** Homeowners will be able to tap into North America's largest combined network of active, high quality service professionals between HomeAdvisor's network of more than 156,000 and Angie's List's network of more than 55,000, collectively up 24 percent year-over-year as of the first quarter of 2017.
- **Product innovation:** HomeAdvisor's state of the art technology and products – including Instant Booking and Instant Connect – will enhance the experience for the more than 22 million monthly users visiting both HomeAdvisor and Angie's List today.
- **Monetization:** The combination of Angie's List's nationally-recognized brand and directory monetization model with HomeAdvisor's performance-based on demand marketplace will provide a world class experience to the largest numbers of homeowners and service providers alike. Applying HomeAdvisor's existing operating model to Angie's List's direct audience will help drive incremental jobs to the combined service professional network and increase combined revenue.
- **Growth:** HomeAdvisor can accelerate growth with a giant leap in scale on both the supply and demand side of the home services marketplace, driving further innovation, customer satisfaction and deeper penetration in a fast growing – but relatively immature – market.
- **Synergies:** By the end of 2018, management expects to fully implement \$100 to \$250 million of annualized synergies.

"Both Angie's List and HomeAdvisor have built impressive businesses based on delivering homeowners and home service professionals incredible value," said Chris Terrill, CEO of HomeAdvisor. "We've only just scratched the surface of this tremendous market opportunity, given 90 percent of home improvement transactions are still generated via word-of-mouth. By combining HomeAdvisor and Angie's List's complementary strengths, the combined company will be able to leverage its joint models and resources to not only accelerate market penetration, but also continued online conversion of that marketplace."

Said Thomas R. Evans, Chairman of Angie's List, "After completing our comprehensive strategic review, we have found a true partner in IAC and HomeAdvisor that we believe will create tremendous shareholder value for Angie's List. Together, we uniquely benefit from the powerful combination of two market leaders, who, by joining forces, can drive incredible innovation, customer satisfaction and category growth."

"Since 1995, Angie's List has set the bar for enabling quality home services experiences for millions of consumers and service pros. I'm thrilled that IAC and HomeAdvisor share our vision for what's possible when it comes to the home services category's massive potential," said Angie Hicks, co-founder and CMO of Angie's List. "Together, we will relentlessly elevate home services experiences for an even broader base of customers."

"This transaction not only cements our category leadership, it also unlocks the value embedded in HomeAdvisor by effectively making HomeAdvisor public for the first time, joining the ranks of Match, Expedia, Ticketmaster, and others," said Joey Levin, CEO of IAC. "We love these category leaders in big consumer verticals where we can ride an obvious offline to online migration with winning products and multiple brands. We did it in dating, travel,

FEDERAL TRADE COMMISSION | OFFICE OF THE SECRETARY | FILED 6/10/2022 | Document No. 604855 | PAGE Page 475 of 692 \* PUBLIC \*; and ticketing, and we expect we'll do the same with home services.”

### Transaction Details

Under the terms of the merger agreement, Angie's List will merge with a subsidiary of ANGI Homeservices Inc. In the merger, Angie's List stockholders may elect to receive, in exchange for each share of Angie's List owned, either one share of ANGI Homeservices Inc. Class A common stock, or \$8.50 in cash. Elections by Angie's List stockholders will be subject to proration to the extent the total number of stockholders electing to receive cash would result in payment of more than \$130 million. The ANGI Homeservices Inc. Class A common stock issued in the merger will possess one vote per share and is expected to be listed for trading on Nasdaq at closing of the transaction. ANGI Homeservices Inc. will also issue shares of Class B common stock, possessing 10 votes per share, to IAC in exchange for the contribution by IAC of HomeAdvisor. Upon closing of the transaction, depending upon the number of Angie's List stockholders electing to receive cash, IAC will hold between approximately 87 percent and approximately 90 percent of the combined company's equity value and approximately 98 percent of the total voting power, and former Angie's List stockholders will hold equity in the combined company representing between approximately 13 percent and approximately 10 percent of the combined company's equity value. IAC will designate a majority of the initial members of the Board of Directors of the combined company. The transaction, which is subject to the satisfaction of customary closing conditions, including regulatory approvals and the approval by Angie's List stockholders, is expected to close in the fourth quarter of 2017.

### Representation

J.P. Morgan Securities LLC acted as financial advisor to IAC and HomeAdvisor, and Wachtell Lipton Rosen & Katz LLP acted as legal counsel. Allen & Company LLC and BofA Merrill Lynch acted as financial advisors to Angie's List, and Sidley Austin LLP served as legal counsel.

### Conference Call to Discuss Transaction

IAC will audiocast a conference call to answer questions regarding this transaction on Tuesday, May 2 at 8:30 a.m. Eastern Time (ET). An investor deck is available on the investor relations section of IAC's website at <http://www.iac.com/Investors>. The live audiocast and replay will be open to the public at <http://www.iac.com/Investors>.

### Company Conference Calls for Quarterly Earnings

IAC will audiocast a conference call to answer questions regarding its first quarter financial results and accompanying materials on Thursday, May 4, 2017 at 8:30 a.m. Eastern Time (ET). After the close of market trading on Wednesday, May 3, IAC will post its first quarter results and simultaneously publish a letter to shareholders, which may include certain forward-looking information, on the investor relations section of the company's website at <http://www.iac.com/Investors>.

The live audiocast and replay will be open to the public at <http://www.iac.com/Investors>.

### About IAC

IAC (NASDAQ: IAC) is a leading media and Internet company comprised of widely known consumer brands such as HomeAdvisor, Vimeo, Dictionary.com, The Daily Beast, Investopedia, and Match Group's online dating portfolio, which includes Match, Tinder, PlentyOfFish and OkCupid. The company is headquartered in New York City and has offices worldwide.

### About HomeAdvisor

HomeAdvisor is the operator of the largest home services marketplace across the globe, providing homeowners the tools and resources for home repair, maintenance and improvement projects. HomeAdvisor's marketplace lets homeowners view average project costs using True Cost Guide, find local prescreened home professionals and instantly book appointments online or through HomeAdvisor's award-winning mobile app, compatible with all iOS, Android and smart home devices such as Amazon Echo. Globally, HomeAdvisor owns the market leaders in Canada (HomeStars), Germany (MyHammer), France (Travaux.com), Netherlands (Werkspot), Italy (Instapro) and the UK (MyBuilder). HomeAdvisor is based in Golden, Colo., and is an operating business of IAC (NASDAQ: IAC).

### About Angie's List

Finding a pro for a job well done is made easy online by visiting Angieslist.com. Nearly six million members nationwide use Angie's List, a leading provider of reviews, offers and information in over 700 service categories, to help them improve their homes. Built on a foundation of more than 10 million verified reviews of local service, Angie's List connects members directly to its online marketplace of services and offers unique tools and support designed to improve the local service experience for both members and service professionals.

### Important Additional Information

Investors and security holders are urged to carefully review and consider each of IAC's and Angie's List's public filings with the Securities and Exchange Commission (the "SEC"), including but not limited to, if applicable, their Annual Reports on Form 10-K, their proxy statements, their Current Reports on Form 8-K and their Quarterly Reports on Form 10-Q. The documents filed by IAC with the SEC may be obtained free of charge at IAC's website at <http://www.iac.com> or at the SEC's website at [www.sec.gov](http://www.sec.gov). These documents may also be obtained free of charge from IAC by requesting them in writing to IAC Investor Relations, 555 West 18th Street, New York, NY 10011, or by telephone at 1-212-314-7400.

The documents filed by Angie's List with the SEC may be obtained free of charge at Angie's List's website at <http://www.angieslist.com> or at the SEC's website at [www.sec.gov](http://www.sec.gov). These documents may also be obtained free of charge from Angie's List by requesting them in writing to Investor Relations, Angie's List, Inc., 1030 East Washington Street, Indianapolis, Indiana 46202, or by telephone at 1-888-888-5478.

In connection with the proposed transaction, ANGI Homeservices Inc. intends to file a registration statement on Form S-4 with the SEC which will include a proxy statement of Angie's List and a prospectus of ANGI Homeservices Inc., and each party will file other documents regarding the proposed transaction with the SEC. **Before making any voting or investment decision, investors and security holders of Angie's List are urged to carefully read the entire registration statement and proxy statement/prospectus, when they become available, as well as any amendments or supplements to these documents and any other relevant documents filed with the SEC, because they will contain important**

FEDERAL TRADE COMMISSION | OFFICE OF THE SECRETARY | FILED 6/10/2022 | Document No. 604855 | PAGE Page 476 of 692 \* PUBLIC \*;  
**information about the proposed transaction.** A definitive proxy statement/prospectus will be sent to the stockholders of Angie's List seeking the required stockholder approval. Investors and security holders will be able to obtain the registration statement and the proxy statement/prospectus free of charge from the SEC's website or from IAC or Angie's List as described in the paragraphs above.

#### **Participants in the Solicitation**

IAC, ANGI Homeservices Inc., Angie's List and certain of their directors and executive officers may be deemed participants in the solicitation of proxies from Angie's List's stockholders in connection with the proposed transactions. Information about the directors and executive officers of IAC is set forth in the definitive proxy statement for IAC's 2017 annual meeting of stockholders, as previously filed with the SEC on May 1, 2017. Information about the directors and executive officers of Angie's List and their ownership of Angie's List common stock is set forth in the definitive proxy statement for Angie's List's 2017 annual meeting of stockholders, as previously filed with the SEC on April 28, 2017. Angie's Lists stockholders may obtain additional information regarding the interests of such participants by reading the registration statement and the proxy statement/prospectus when they become available. Free copies of these documents may be obtained as described in the paragraphs above.

#### **Cautionary Statement Regarding Forward-Looking Information**

The information presented herein may contain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. The use of words such as "anticipates," "estimates," "expects" and "plans" and "believes," among others, generally identify forward-looking statements. These forward-looking statements include, among others, statements relating to: IAC's and/or ANGI Homeservices Inc.'s future financial performance, IAC's and/or ANGI Homeservices Inc.'s business prospects, strategy and anticipated trends in the industries in which IAC's and/or ANGI Homeservices Inc.'s businesses operate, or will operate, and other similar matters. These forward-looking statements are based on management's current expectations and assumptions about future events, which are inherently subject to uncertainties, risks and changes in circumstances that are difficult to predict. Actual results could differ materially from those contained in these forward-looking statements for a variety of reasons. In light of these risks and uncertainties, these forward-looking statements may not prove to be accurate. Accordingly, you should not place undue reliance on these forward-looking statements.

In addition to factors previously disclosed in IAC's and Angie's List's reports filed with the Securities and Exchange Commission and those identified elsewhere in this communication, the following factors, among others, could cause actual results to differ materially from forward-looking statements and historical performance: (1) the occurrence of any event, change or other circumstances that could give rise to the right of one or both of the parties to terminate the merger agreement; (2) the outcome of any legal proceedings that may be instituted against any party to the merger agreement; (3) the failure to obtain the necessary stockholder approval or to satisfy any of the other conditions to the proposed transactions on a timely basis or at all; (4) the possibility that the anticipated cost savings and other benefits of the proposed transactions are not realized when expected or at all, including as a result of the impact of, or problems arising from, the integration of HomeAdvisor and Angie's List or as a result of changes in the economy and competitive factors in the areas where they do business; (5) the possibility that the proposed transactions may be more expensive to complete than anticipated, including as a result of unexpected factors or events; (6) diversion of management's attention from ongoing business operations and opportunities; (7) potential adverse reactions or changes to business or employee relationships, including those resulting from the announcement or completion of the proposed transactions; (8) changes in asset quality and credit risk; (9) the potential liability for a failure to meet regulatory requirements; (10) potential changes to tax legislation; (11) the potential effect of the announcement of the proposed transactions or consummation of the proposed transactions on relationships, including with employees, customers and competitors; (12) the ability to retain key personnel; and (13) changes in local, national and international financial market, insurance rates and interest rates. Forward-looking statements speak only as of the date they are made and IAC, ANGI Homeservices Inc. and Angie's List do not intend, and undertake no obligation, to update any forward-looking statement.

#### **Contact Us**

##### **IAC Investor Relations**

Mark Schneider  
(212) 314-7400

##### **Angie's List Investor Relations**

Leslie Arena  
(317) 808-4527

##### **IAC Corporate Communications**

Isabelle Weisman  
(212) 314-7361

**RX0078**

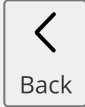
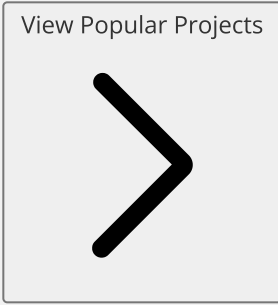
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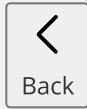
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- Cleaning Service Cost
- Cost to Add a Bathroom
- Cost to Build a House
- Cost to Build a Kitchen
- Cost to Build an Outbuilding
- Cost to Hire a Painter
- Cost to Insulate a House
- Cost to Paint a House
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- Fencing Costs
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- Gutter Cleaning Cost
- Handyman Price List
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- Home Extension Cost
- House Siding Cost
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- Inground Pool Cost
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- Kitchen Remodel Cost
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- Lawn Care Cost
- Maid Service Cost
- Plumbing Costs
- Pool with Hot Tub Cost
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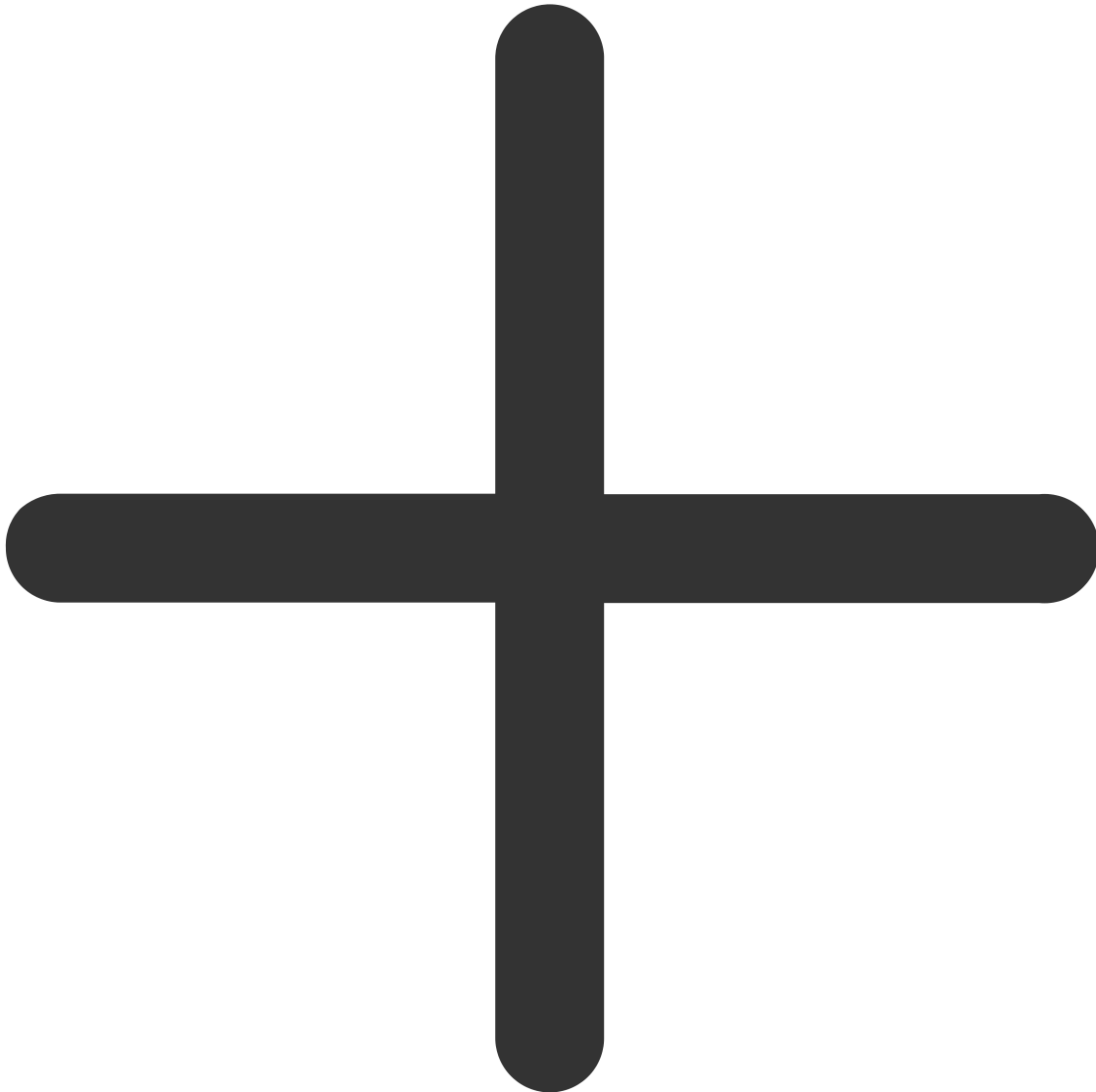
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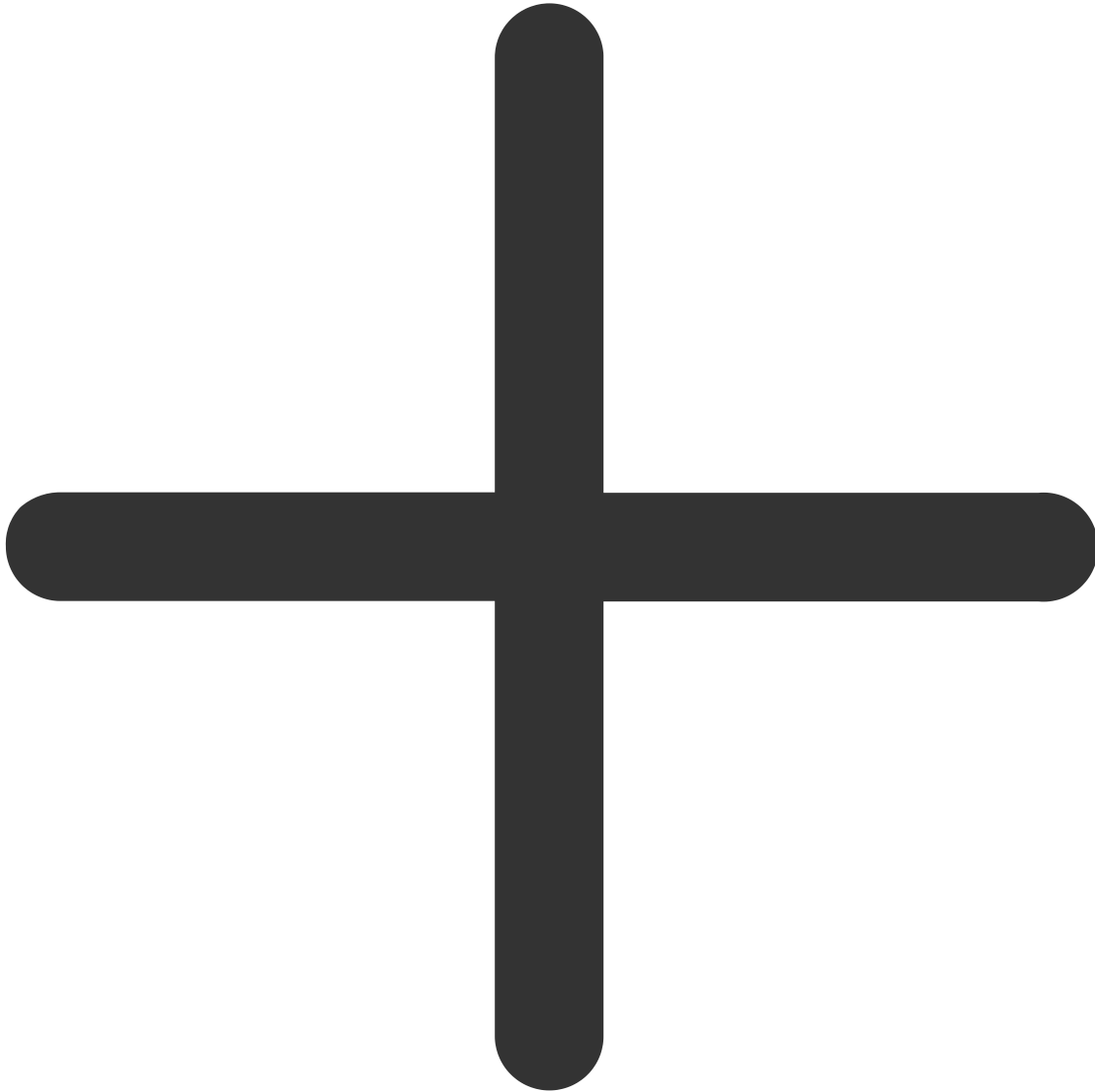
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### Homeowner Services



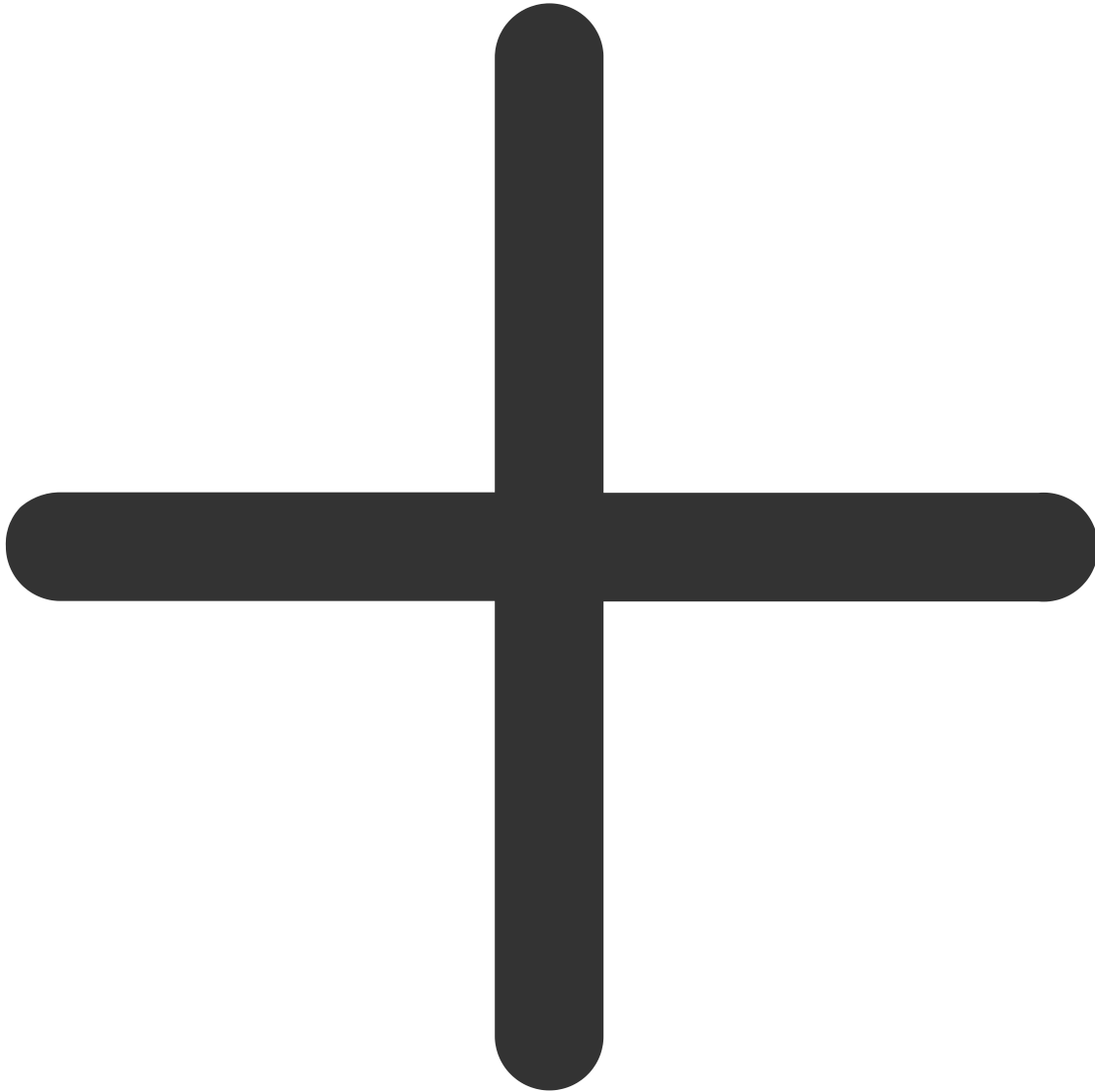




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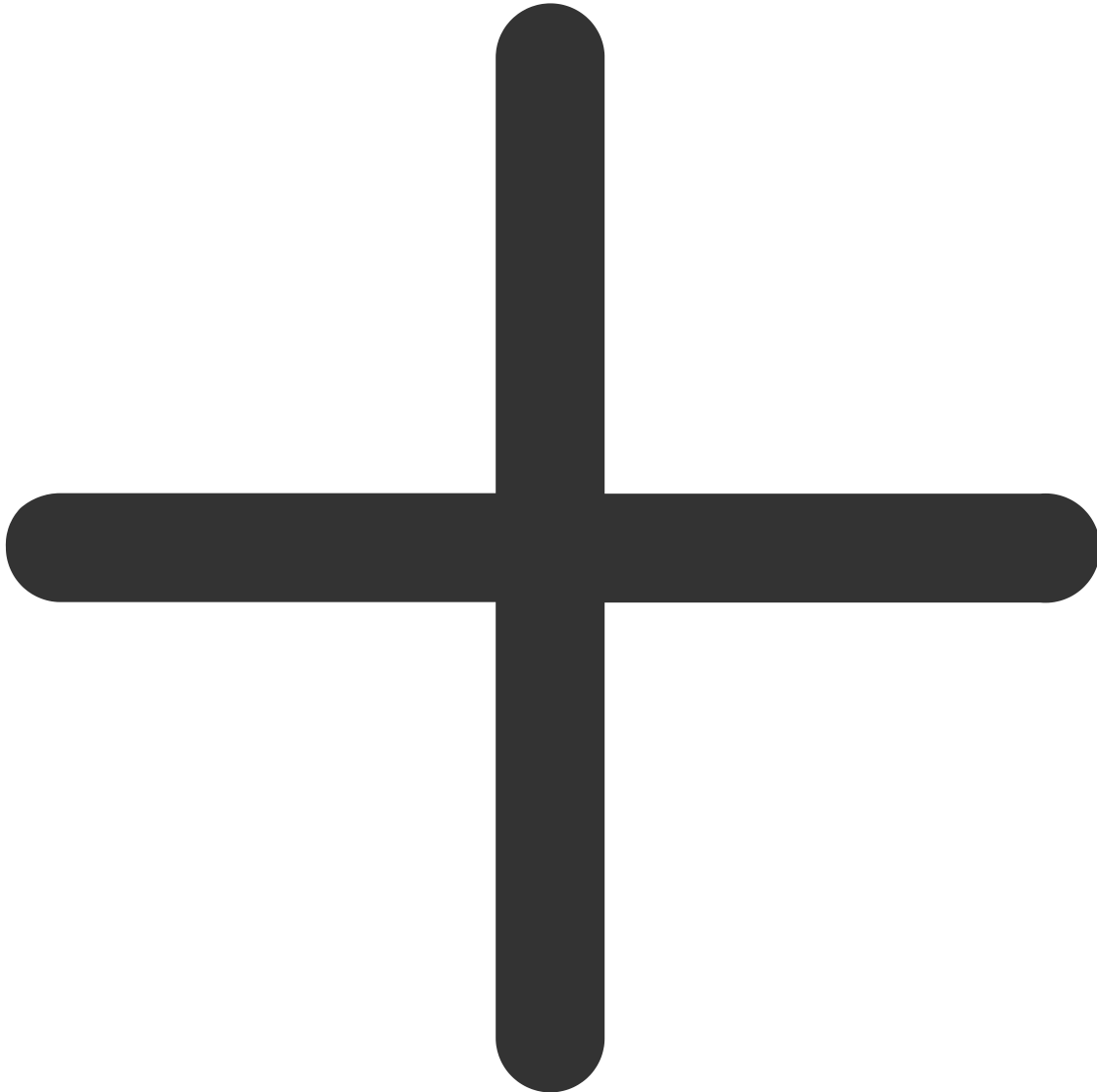




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**For Service Professionals**



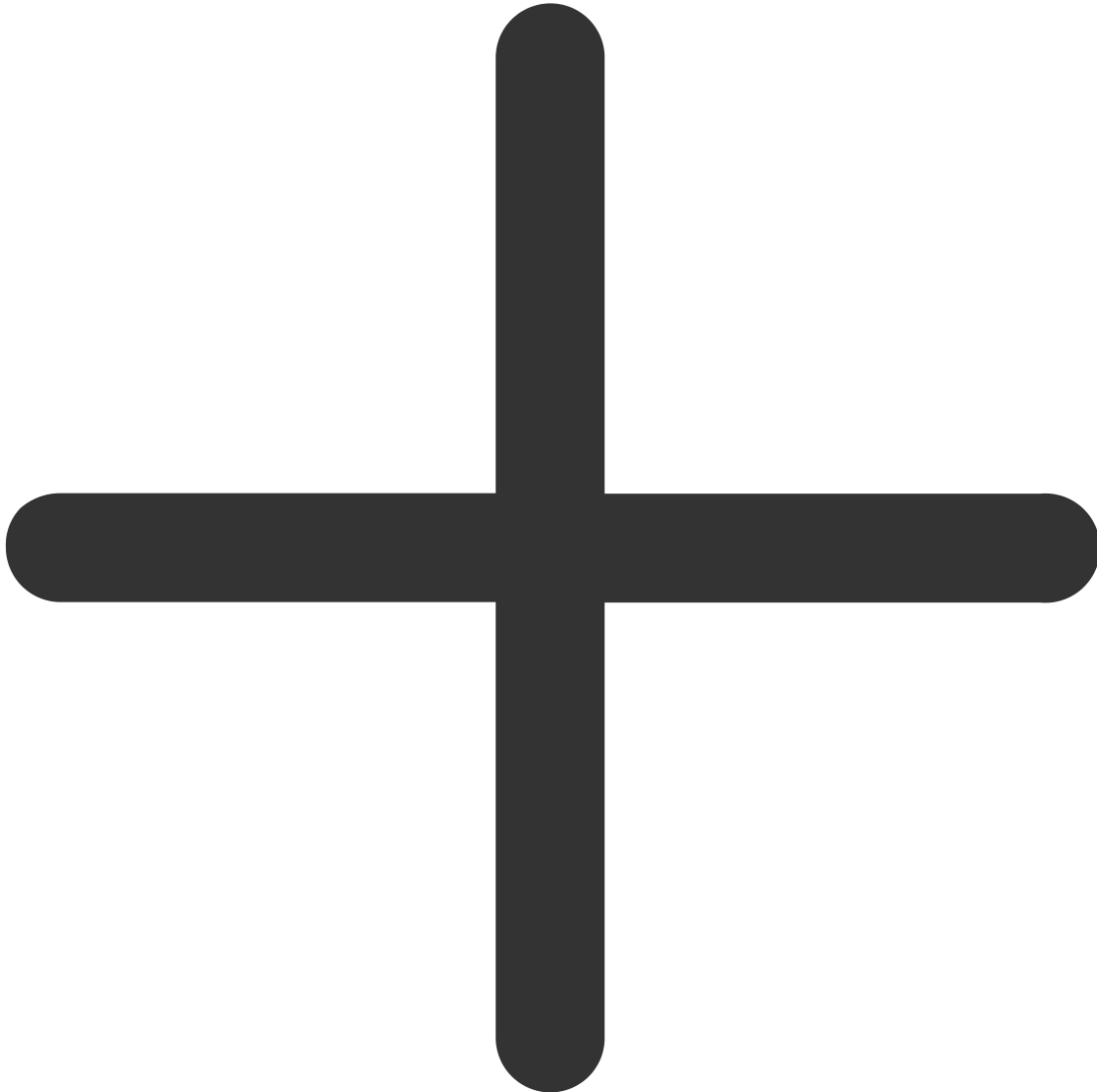




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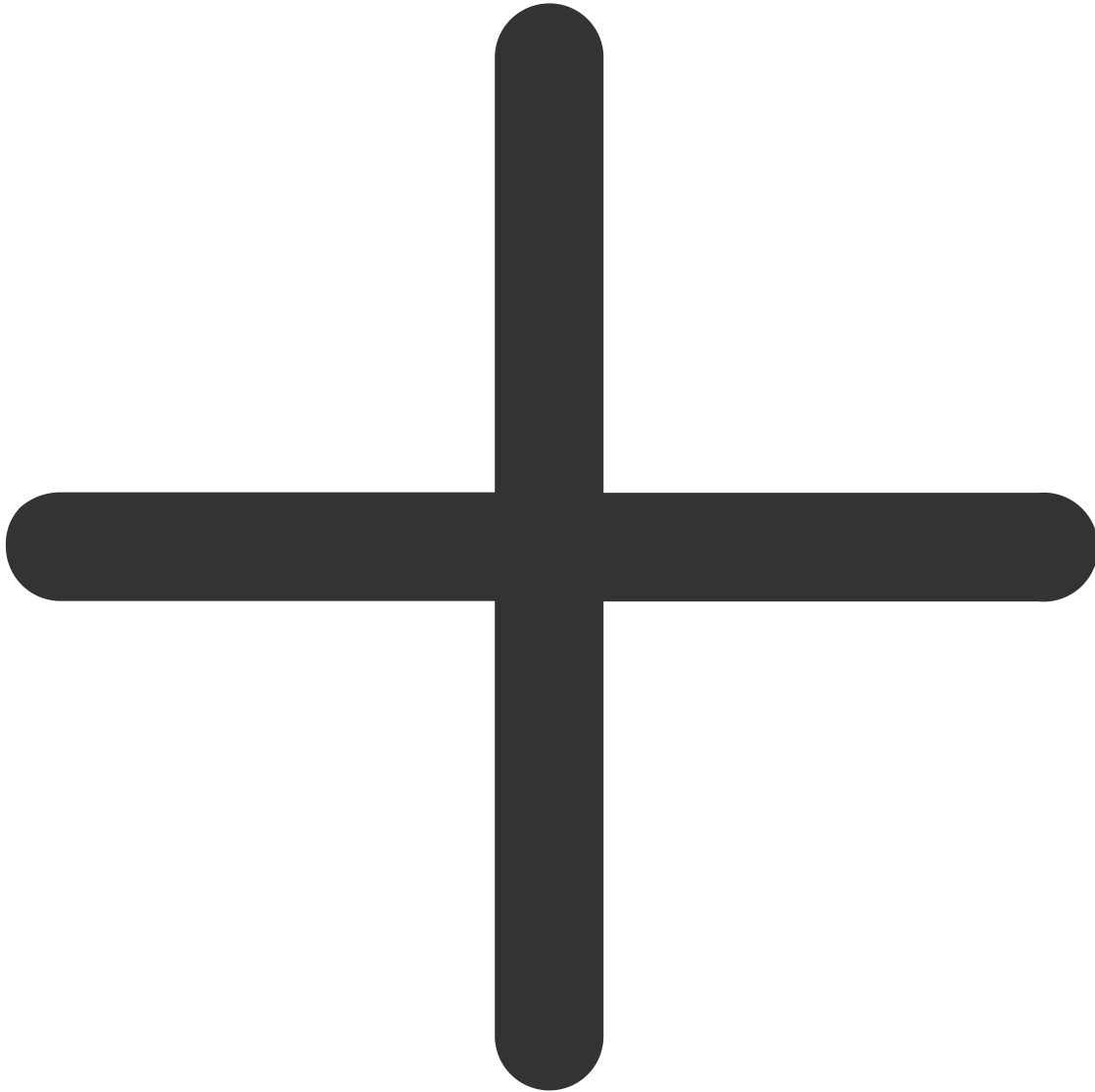


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Resources > Articles > How to Run a Successful Business for Decades, According to a Pro Who Knows

# How to Run a Successful Business for Decades, According to a Pro Who Knows

by Angi



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- Five Questions for... James Hardie
- Father and Son Pros Share Secrets of a Successful Family Business

Howard Molen of HFM Builders knows a thing or two about perseverance. In business since 1980, he's experienced the ups and downs that come with running a small company, and he knows how to use HomeAdvisor to succeed - in the good times, and the bad.

"Before the recession of 2008, approximately 5 to 10 percent of my business was generated by HomeAdvisor," Molen says. As financial uncertainty increased, Molen says he knew he needed to jumpstart opportunities with HomeAdvisor to keep his staff working in the New York City area on projects like remodels, painting and flooring.

He immediately increased his lead volume, and the jobs started pouring in. This is a strategy Molen recommends to pros who want to see long-term success.

#### In hard times, increase lead volume.

During the financial crisis, HFM Builders saw 70 percent of its business coming through HomeAdvisor. When it ended, Molen says, he decreased lead volume and business as usual returned.

Molen says that the opportunities provided by HomeAdvisor during that time kept his company up and running. Molen says that the opportunities provided by HomeAdvisor during that time kept his company up and running.

"HomeAdvisor is a reliable source to open doors," Molen says. Now that financial apprehension has returned with COVID-19, Molen says he's increased his lead volume with HomeAdvisor again.

"HomeAdvisor saw HFM Builders through the 2008 recession," he says. "They will now provide opportunities through the current situation."

#### Establish expectations for leads, and give great customer service.

Molen first became a pro with HomeAdvisor in 2003, and he credits some of his company's success to the fact that he's never turned off his leads throughout the last 17 years. He equates the HomeAdvisor lead system with getting into the Baseball Hall of Fame. You might not hit every ball - or win every lead - but if you close just a handful, you're in great shape.

"You close 3 out of the 10-20 percent - that's hall of fame," Molen says. And even if he did win all 10 leads, Molen says, he couldn't do all 10 jobs.

When he does get a lead, Molen says, "I take every call myself. I return every call myself. I make every appointment myself." Being the main point of contact for each individual customer has helped Molen fine-tune his approach over the years. He plays up his strengths - like his optimistic and warm personality - to ensure customers return and recommend HFM Builders.

#### Invest in your employees over time.

To be successful over time, Molen emphasizes investing in your employees and creating a strong culture at work.

"The average employee doesn't leave me," Molen says, "because we're family. Nobody looks to outshine, out-do anybody. We're all on the same page. It's not Howard's way or the highway."

Molen says he still has one original employee from the earliest days of HFM Builders, and several more who have been with him for more than 20 to 25 years.

"My employees are as bright - if not brighter - than I am, and I tell them that. I work with a great group of guys."

\*HomeAdvisor Pro is now Angi Leads

#### Related resources:

- 4 Ways to Boost Profits Through Better Customer Service
- Retooling the Remodeling Business
- One Painting Company's Approach to Marketing as a Small Business
- From Zero to Over 300: One Pro's Successful Lead Strategy
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**HomeAdvisor** POWERED BY **Angi**

We put your business in front of customers looking for pros with your expertise.

If they a lead

## Frequently Asked Questions

What comes with my membership? 

As a member, you'll be matched with qualified homeowners, have your own business profile listed in our online directory, and enjoy access to helpful business management and marketing tools.

What are leads and when I am charged? 

Leads are potential customers. We automatically connect you with them based on the preferences you set, and we charge a fee when we send the notification. Leads are not guaranteed jobs. It's up to you to win the work after you get the lead.

How does Angi know which leads are right for me? 

While you focus on the parts of the job you love, we find qualified customers for you. We use the availability, ZIP codes, and tasks you set for your business to send you matching leads.

How are lead prices calculated? 

Lead prices vary by the type and location of a potential customer's request. We know the value of every job is different, and we aim to price our leads to reflect that. Your sales representative can provide current and average pricing for the types of leads you'll

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# Angi Leads Pro Legal Center

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## Pro Terms & Conditions

Version 52.0 (Current) ▼

Effective February 3, 2022

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Welcome to Angi! We're excited to help you grow your business. When you use Angi, you enter into a legal agreement, which are the Terms that you see below. We have made an effort to make this agreement as clear and concise as possible, but we could not avoid including a certain amount of legalese. To help you understand the key provisions of this agreement, below this introduction we've included questions and answers that address the most important points of the agreement that you should understand. This summary is not part of the agreement itself, but rather a tool to help you better understand the agreement and the terms of your membership. You still need to read the entire agreement below! We have also bolded several areas that address important legal rights, including a class action waiver and binding arbitration.

**IMPORTANT NOTICE: THIS AGREEMENT CONTAINS A BINDING ARBITRATION PROVISION AND CLASS ACTION WAIVER. IT AFFECTS YOUR LEGAL RIGHTS AS DETAILED IN THE ARBITRATION AND CLASS ACTION WAIVER SECTION BELOW. PLEASE READ CAREFULLY.**

### **Key Provisions of Your Angi Leads Membership**

- **Q. How does Angi work?** A. First we find consumers looking for help with home projects and collect information about their project. Our patented ProFinder technology then identifies relevant professionals, taking into account our pros' availability, service type and location preferences. When we have a match, we send the consumer's information to the matched pro(s) instantly so that he/she/they can contact the consumer ("a Lead") to try and win the job . A Lead is **NOT** a guaranteed job but the contact information of an interested customer and the chance to sell a job. While all of the Leads that you pay for will not turn into won jobs, successful pros win more than enough jobs to return a profit and pay for the Leads that did not turn into won jobs .
- **Q. What are the terms of payment?** A. By signing your contract during enrollment (which is the formal process for accepting Angi's Terms), you are agreeing that once you pass your background check and are therefore approved, Angi can immediately begin charging your method of payment for membership and for lead fees.
- **Q. Do I only pay for the jobs I win?** A. **No, Angi does not provide or guarantee jobs, and frequently a Lead is sent to several other pros, including to Angi and Handy themselves.** You will be charged for each Lead you receive, whether or not you ultimately win the job, and regardless of whether the customer hires any pro to complete the job.
- **Q. What are the types of Leads I may receive?** A. The below are the current Lead types (additional opportunities may be available to you in Angi's discretion):

**Market Match:** Auto accepted based upon the tasks and zips you have set up on your profile. Consumer is matched with pros, you receive Lead notification, with consumer contact info, job details, and number of other pros matched.

**Exact Match:** Auto accepted based upon the tasks and zips you have set up on your profile. Consumer chooses which pro to send their information to, Lead notification includes job details and consumer contact information.

**Instant Booking:** Auto accepted based upon the tasks and zips you have set up on your profile, consumers schedule jobs with you directly from your profile which is synced with your calendar.

**Instant Connect:** You choose to accept. A consumer requests to talk to a pro about their project, Angi immediately connects the consumer with you live on the phone. If you do not answer, we send the Lead to another pro.

**Opportunity Lead:** You choose to accept. Review and choose to accept/decline additional consumer requests you would have otherwise missed.

- **Q. Can I turn off my Leads?** A. You can turn off your Leads for a period of time, but once this time period is over they will automatically be turned back on and you will be charged for Leads received. If you pause or turn off your Leads, when you turn them back on, a

new monthly spend target cycle may be created, such that it is possible your monthly spend target could be exceeded in less than one calendar month. Additionally, your exact spend target may be exceeded in the normal course of events for multiple reasons. You can opt out of Instant Booking Leads, Instant Connect Leads, and Opportunity Leads, but may not opt out of Market Match or Exact Match Leads. Please review your invoices regularly to ensure that you are satisfied with your spend target as set.

- **Q. What is a spend target?** A. Your spend target is an estimated 28 day amount that you would like Angi to try to meet when sending you Leads. The spend target is not a budget cap, but rather an estimated goal of monthly Lead spend, and will be allocated between Exact Match Leads and Market Match Leads.
- **Q. Do all Leads count towards my spend target?** A. No, Angi offers several types of highly targeted Leads that do not count towards your spend target. These include Instant Booking, Instant Connect, and Opportunity Leads. Market Match and Exact Match leads do count towards your spend target. Only Opportunity Leads and Instant Connect Leads must be individually accepted before your method of payment is charged.
- **Q. How much do leads cost?** A. The price of our Leads varies due to a number of factors, including the type of request and the location of the request. Once enrolled, you can see the current price of Leads for the tasks and areas for which you are profiled by logging into your Angi Pro account.
- **Q. Do you warrant or guarantee your service?** A. No, we do not make any warranties about our services, including whether you will be successful or how many jobs you will win.
- **Q. How will you contact me?** A. By becoming an Angi member, you authorize Angi and its affiliates to contact you regarding account information or other marketing offers via email, fax, text, or phone, using automated technology, even if you are on a state or federal Do Not Call list and even if you have previously opted out of Angi marketing.
- **Q. What does it mean that I need to indemnify you?** A. If someone sues us because of something you did, you're responsible for it, so please read Section 7 carefully.
- **Q. What is arbitration, and what does it mean to waive my class action rights?** A. A third party arbitrator will help us resolve any disputes we might have. This means that any dispute will be resolved outside of class-action litigation. Hopefully, disputes will never be an issue, but you should read Section 8 carefully for details on how it works.
- **Q. Can I get a refund if I cancel my membership?** A. You are entitled to a refund of fees paid if you cancel within seventy two (72) hours of enrolling, including fees paid for

Leads you have not contacted. In any other case, Angi is not obligated to refund to you any fees.

- **Q. How do I cancel my membership?** A. You may cancel your membership by contacting Customer Care at (877) 947-3676, by emailing [customercare@angi.com](mailto:customercare@angi.com), or by using live chat.

## ANGI SERVICE PROFESSIONAL TERMS

This Agreement ("Agreement") governs your relationship with HomeAdvisor, Inc. dba Angi Leads. In this Agreement, we will refer to you, the member Service Professional, and all of your d/b/a's, affiliates, agents, employees, representatives and subcontractors as "you," "SP," "Service Professional" or "member" and to Angi Leads and its employees and agents as "we" or "us" or "Angi." Other Service Professionals who have joined Angi's network are referred to in this Agreement as "Service Professionals," "SPs," or "members." Unless otherwise stated, all terms and conditions set forth in this Agreement that apply generally to Service Professionals also apply to and bind you. References herein to the Angi "Website" include any and all websites now, or hereafter, owned or operated by Angi. **It is important to read our entire Agreement carefully as some of the provisions affect your legal rights.** These Terms & Conditions were last updated on February 3, 2022.

[1. What We Agree](#)

[2. What You Agree](#)

[3. Fees](#)

[4. Angi Pay](#)

[5. Angi Leads Seal of Approval](#)

[6. Leads Outside of Spend Target](#)

[7. Indemnification; Limitation of Liability; Disclaimer of Warranties.](#)

[8. Agreement to Arbitrate All Disputes and Governing Law.](#)

[9. Other Terms.](#)

### 1. **What We Agree.**

a. With Respect to Lead Purchasing Members.

- Angi Leads receives requests from homeowners, consumers, property managers, individuals and other persons ("customers") expressing interest in certain services relating to home improvement, repair, maintenance and other types of tasks and projects ("service requests"). These service requests from customers may be submitted directly or indirectly to Angi Leads by customers via the Angi Leads Website, the Angi Ads Website,

send you a communication about a customer's service request that contains information about what service has been requested and the customer's contact information (a "Lead"). We may also send your contact information to the customer. The information we provide about you will be based on the information you submit during the Company Profile Interview (which you may amend from time to time) and Customer Ratings & Reviews, and may be amended by Angi Leads from time to time. Angi may also use masked tracking phone numbers, email addresses, or other methods of contact tracking. Leads may also be sent to other member service professionals based on the category of the service request.

- ii. We limit the number of Service Professionals that are matched to a customer. We do not guarantee to provide you any specific number of Leads, nor do we make guarantees, representations or warranties regarding a customer's level of interest, their desire to have work completed, their ability to pay you, the accuracy of the information provided by the customers, or that any customers will hire you to perform services, nor do we guarantee that you will successfully contact each customer. You may also be competing against Angi Leads, or its affiliates and its affiliates' service professionals, including Angi Ads and Handy, for the job. We are not involved in, nor do we have any responsibility for your contracts with customers or any payments to you or any disputes they may have with you or you may have with them. Angi Leads is free to contract with other Service Professionals as this is not an exclusive contract.
- iii. We provide customers with the ability to rate their experience working with you via Customer Ratings & Reviews. You will also have the ability to solicit and collect ratings and reviews from any of your customers, which may or may not be displayed in LiveDirectory (defined below), in Angi Leads' sole discretion.
- iv. For Service Professionals using Angi Leads' Exact Match Services (not available in Canada), Angi Leads shall endeavor to generate click-throughs to the SP's listing and online profile page and calls to the Exact Match Numbers (defined below), based upon the profile information supplied by SP. Angi Leads shall provide for the hosting of the SP online profile page (which may appear in the Angi Leads LiveDirectory (defined below) and elsewhere on the Internet, however, SP is solely responsible for all content provided by SP that appears on SP's online profile page. Angi Leads shall provide the telephone numbers unique to SP's online profile page ("Exact Match Numbers"). In addition, customers will be able to complete a service request



customer on SP's online profile page, or via a telephone call to SP's Exact Match Number shall constitute an "Exact Match Lead."

- v. If your Angi Leads rating drops to three (3) stars or below, you will no longer be permitted to purchase leads from Angi Leads until you raise your rating above three (3) stars (although your directory listing will remain active). You will have the ability to improve your rating by acquiring additional positive reviews to lift the rating. However, you will not be able to use references from non-Angi Leads consumers to increase your rating, you must obtain additional consumer reviews submitted through the Angi Leads platform. Once your rating is greater than three stars, you will regain your eligibility to purchase leads.

b. With Respect to Subscription Members:

You may purchase a subscription to receive services including: Placement in Angi Leads's directory product which is displayed on the Angi Website ("LiveDirectory") and Customer Ratings and Reviews solicitation. You may be displayed among service professionals who are members of Angi Leads affiliate companies, including Angi Ads, some of whom may have been subject to different screening criteria than the screening you are required to undergo.

In the event you purchase a subscription and elect to appear in the LiveDirectory, your business listing may appear on the Pro Reviews section of the Angi Leads Website, in response to requests from customers for contractors in the project categories that you have indicated to us that you perform, in geographic locations where you have told us you perform services. Angi Leads does not make any representations or warranties regarding how often your listing and/or profile (including any ratings or reviews) will appear or be viewed, or where or on what page of the Pro Reviews tab your listing will appear, or your conversion rate for impressions or views of your profile page. You will also have the ability to solicit and collect ratings and reviews from any of your customers, which may or may not be displayed in LiveDirectory, in Angi Leads's sole discretion. In addition, the telephone number displayed with your listing shall be your actual telephone number that you provide to Angi Leads (unless your listing is appearing as an Exact Match listing).

- c. BILLING FOR SERVICE PROFESSIONALS ON BOTH ANGI ADS AND ANGI LEADS NETWORKS: If you are both an Angi Ads member and an Angi Leads member, you agree that you are receiving separate and valuable consideration from both Angi Leads and Angi Ads by way of Contacts, including Leads, and exposure to

consumers of both platforms. While there are some overlapping benefits for

advertisers on both networks, Angi Ads and Angi Leads are separate products and there is separate value in the products and services they offer to you.

## 2. What You Agree.

You agree to all terms and conditions of this Agreement and represent, on behalf of you, your company (including any predecessor entities of your company), employees, subcontractors, and any individuals performing work on your behalf, at the time you become a Angi Leads SP, and thereafter while this Agreement remains in effect, as follows:

### a. Background Check Authorization and Disclosure:

i. AUTHORIZATION: You hereby: (a) represent that you are the owner, principal, or manager of the company with authority to bind the company; and (b) authorize Angi Leads to provide your home mailing address, social security number, date of birth ("Personal Information") and any other information you provide to us to a third-party information collection service entity selected by Angi Leads, at any time while your company is in Angi Leads's network, to verify, obtain copies of records, and gather any information pertaining to your criminal record, as well as financial screening (including but not limited to searches for bankruptcies, liens and civil judgments) for the purpose of Angi Leads's evaluating its desire to enter into or continue a contractual business arrangement with you. Angi Leads will share this Personal Information only with third parties designated to carry out the background checks and with Angi Leads's affiliates.

ii. DISCLOSURE: Angi Leads hereby discloses to you that a consumer report, as defined by the Fair Credit Reporting Act, may be obtained for the purpose of advertising with Angi Leads, its affiliates, representatives, or agents. You hereby authorize the procurement of the consumer report. Information from the consumer report will not be used in violation of any applicable federal, state, or local equal employment opportunity law or regulation. You understand that your date of birth will be used solely for identification purposes and will not be taken into account in any advertising decisions.

b. Membership in the Angi Leads network is available only to individuals who are at least 18 years old and can form legally binding contracts under applicable law. By applying to join Angi Leads, you represent and warrant that you are eligible.

c. You are qualified and capable of performing the services, trade, or tasks you selected on the Service Professional Enrollment Form or during your Company

Profile.

d. You are, and at all times will be, properly and fully licensed\*, bonded and insured\*\* (at levels in accordance with applicable industry standards) under all applicable laws and trade regulations (and upon request will produce documentation to verify this), and further, that you have not been turned down for insurance coverage related to your provision of services. You will notify us promptly of any such changes to your licensing, bonding or insured status.

\*If you or your company are operating under a license with special restrictions you agree and represent that you will at all times operate within the guidelines as specified by such restrictions.

\*\*This requirement is only applicable to service professionals accepting Leads in the "Movers" category.

e. You will comply with the Angi Leads membership requirements as specified from time to time. If these requirements are amended, you will be advised and must comply with any changes immediately upon notification if no action is required on your part or within thirty (30) days if affirmative action is required of you.

f. You hereby represent that you, any predecessor entities of your company, any other majority shareholders, partners or members, and your company, are free from any felony criminal convictions. If at any time during your membership with Angi Leads you, any predecessor entities of your company, any other majority shareholders, partners or members or your company, should have a felony conviction entered against such party, you will promptly notify Angi Leads. You further represent that you have not been sanctioned or penalized by any governmental authorities in connection with your provision of services to any of your customers, and that you have not been denied membership to (or had your membership revoked from) any professional industry associations. You authorize Angi Leads to verify that all of the above representations are truthful and accurate at any time while this Agreement remains in effect.

g. You further represent and warrant that you, your employees and subcontractors do not have any criminal dispositions in connection with any military service whether in or through a military court, military tribunal, or court martial. You further represent and warrant that neither you, your employees nor your subcontractors will be impaired by any drugs, alcohol or other controlled substances while performing any services pursuant to this Agreement.

h. You will cooperate with us if we attempt to facilitate the resolution of any customer complaints between you and your customers; however we are not liable to you or any customer if such matters cannot be resolved. We reserve the right to

dispute between you and a customer, or based upon your performance of or failure to perform services for a customer, and you agree to reimburse us for any such payments and for any costs, expenses or attorneys' fees incurred by Angi Leads in connection with the dispute. You agree that we shall have the right to disclose any information we have regarding you and your company to any authorities requesting information from us regarding any work or services you have performed.

- i. If you provide any quotes to customers via the Angi Leads Website, such quotes are provided for informational purposes only. A customer cannot contract with you via the Angi Leads Website. In the event a customer selects you on our Website in response to a quote you provide (or schedules and appointment), such selection (or appointment) is merely an indication of the customer's interest in contacting or being contacted by you. You agree that you will not charge a Lead fee to a consumer who has not hired you for a job.
- j. If you provide written comments or testimonials about our service or activities, you agree that we shall have sole ownership of any and all intellectual property rights in such comments or testimonials, and that we may post and publish your comments or portions thereof at our sole discretion on our Website or in marketing materials including your name and company or agency, and that you shall not be entitled to any payments associated with our use of the foregoing. You hereby authorize us to use your name, company name, and franchise name, as applicable, and any of the trademarks, service marks, trade names and logos, content including photographs, in the form or format that you supply to us or that you upload to our Website, for use and posting on our Website and for use in marketing materials to be presented to customers or prospective SPs in online postings, via emails or otherwise to help promote you or your services, and that you shall not be entitled to any payments associated with our use of the foregoing. Angi Leads reserves the right, in its sole discretion, to review, reject and remove any content that you upload to the Angi Leads Website or your company profile. You further represent that you have all necessary rights to display any of the logos, service marks, trademarks, and any other content that you upload to our Website, and you represent that your uploading for display of any such content, and the use by Angi Leads of such content as contemplated by this Agreement, shall not violate any third party's intellectual property rights. If there are any limitations or restrictions pertaining to the use or presentation of such logos, trade or service marks, it shall be your responsibility to provide us in writing with any such restrictions or limitations of use. If expressly authorized by us in writing in advance, you may be authorized during the term of this Agreement to use certain

marks of Angi Leads as necessary to promote your business. You are expressly prohibited from registering any trademarks or domain names of Angi Leads.

- k. By posting or providing any content on the Angi Leads Website, including but not limited to photographs ("Content"), you represent and warrant to Angi Leads that you own or have all necessary rights to use the Content, and grant to Angi Leads the rights granted below. The forgoing representation includes, but is not limited to a representation and warranty that you have own or have the necessary rights (including any necessary releases) to grant all rights granted below in relation to any persons, places or intellectual property pictured in any photographic Content that you provide. In addition, if you post or otherwise provide any Content that is protected by copyright, you represent that you have obtained any necessary permissions or releases from the applicable copyright owner. You hereby grant Angi Leads and its users a perpetual, irrevocable, non-exclusive, royalty-free, transferable, assignable, sub-licensable, worldwide license to use, store, display, reproduce, modify, edit, abridge, crop, create derivative works, perform, distribute, and place advertising near and adjacent to your Content on the Angi Leads Website, and on any other websites owned or operated by Angi Leads. Nothing in this Agreement shall restrict other legal rights Angi Leads may have to the Content, for example under other licenses. Angi Leads reserves the right to remove or modify Content for any reason, including Content that Angi Leads believes violates this Agreement or our policies. You further authorize us and our affiliates, licensees, sublicensees, and users, without compensation to you or others, to reproduce, print, publish and disseminate in any format or media (whether now know or hereafter created) the Content, including, if submitted, your name, voice and likeness throughout the world, and such permission shall be perpetual and cannot be revoked for any reason. In the event your Angi Leads account is terminated, or if you remove any Content from your Angi Leads account, Angi Leads and its users may retain your Content and may continue to use any of your Content (pursuant to the license granted above). You acknowledge and agree that any Content you post or provide may be viewed by the general public and will not be treated as private, proprietary or confidential. Further, to the extent permitted under applicable law, you waive and release and covenant not to assert any moral rights that you may have in any Content posted or provided by you.
- l. You acknowledge and agree that all of the content and information posted on the Angi Leads Website, including but not limited to Service Professional profiles, screening information, and Customer Ratings & Reviews for all Angi Leads Service Professional members (excluding any logos or trademarked materials, or other intellectual property of Service Professionals provided by Service Professionals), is the sole and exclusive property of Angi Leads. You acknowledge and agree that

Customer Ratings & Reviews (including those relating to you and your business), or any other content posted on the Angi Leads Website, other than content provided directly by you. You represent and warrant that all of the information you provide to Angi Leads, including any and all information you include on your profile page, is true and accurate. You acknowledge that a violation of any of the foregoing could result in significant damages, and you agree that you are liable to Angi Leads for any such damages, and will indemnify Angi Leads in the event of any third party claims against Angi Leads based on or arising from your violation of the foregoing. You acknowledge and agree that Angi Leads has the right, in its sole discretion, to contact customers about services you provide to gain their feedback and rating of you, and to display such Customer Ratings and Reviews on our Website. Angi Leads is not responsible or liable to you for any comments, ratings or communications of any kind from customers that we choose to post on our Website.

- m. You will not engage in any illegal acts or acts of wrongdoing, dishonesty or unethical business practices with Angi Leads, any customer or other third party, including, but not limited to, disclosing any user personal information to any third party. You will at all times be in full compliance with all applicable Federal, State, Provincial, local and other laws and regulations that apply to your activities. YOU ACKNOWLEDGE AND AGREE THAT TO KNOWINGLY SHARE, DISTRIBUTE, TRANSFER, OR SELL A ANGI LEADS SERVICE REQUEST, OR LEAD (OR THE INFORMATION CONTAINED THEREIN) OTHER THAN AS EXPRESSLY SET FORTH IN THIS AGREEMENT, IS A VERY SERIOUS BREACH OF CONTRACT AND FRAUDULENT MATTER THAT COULD RESULT IN INVASION OF PRIVACY RIGHTS OR OTHERS, SIGNIFICANT COSTS AND DAMAGES TO OTHERS AND TO ANGI LEADS AND OTHER SERVICE PROFESSIONAL MEMBERS. RESPONDING TO SUCH A VIOLATION WOULD ALSO RESULT IN THE LOSS OF TIME AND EFFORT ON THE PART OF ANGI LEADS. THERE ALSO MAY BE REGULATORY FINES AND PENALTIES IMPOSED FOR CONTACTING CONSUMERS AND BUSINESSES IN A MANNER NOT IN ACCORDANCE WITH THE APPLICABLE LAWS AND REGULATIONS INCLUDING BUT NOT LIMITED TO FEDERAL STATE AND PROVINCIAL DO-NOT-CALL REGULATIONS AND FEDERAL STATE AND PROVINCIAL ANTI-SPAM REGULATIONS. ACCORDINGLY, IF YOU KNOWINGLY SHARE, DISTRIBUTE, TRANSFER, OR SELL A SERVICE REQUEST, OR LEAD (OR THE INFORMATION CONTAINED THEREIN) OTHER THAN AS EXPRESSLY SET FORTH IN THIS AGREEMENT, YOU AGREE TO FULLY INDEMNIFY AND BE LIABLE TO ANGI LEADS, AS SET FORTH IN SECTION IV BELOW, FOR ALL THE DAMAGES, WHETHER DIRECT OR INDIRECT, PUNITIVE AND CONSEQUENTIAL, AND ANY

REGULATORY OR JUDICIAL FINES OR PENALTIES OR ATTORNEYS FEES THAT  
MAY ARISE FROM SUCH ACTIVITIES.

- n. You agree to allow only employees of your company or independent contractors performing services directly on behalf of your business to contact or provide any service to customers you learn of via a Lead. To the extent you use any such subcontractors, you shall be responsible and liable for all acts and omissions of such subcontractors and for ensuring that such subcontractors comply with all the provisions of Section II of this Agreement. You agree not to sell, trade, gift, assign, or otherwise transfer any Service Requests, or Leads provided by Angi Leads to any other party, including any other Angi Leads Service Professionals.
- o. In addition to all of the other terms and conditions herein, SPs using Angi Leads's Exact Match services (not available in Canada) also agree to the following: (i) SP hereby represents and warrants that the information provided by SP in the SP profile on the SP's online profile page is, and shall at all times be, maintained in an accurate, up-to-date and professional manner, and in compliance with all applicable laws and regulations; (ii) SP hereby agrees that it hereby has automatically pre-accepted any Exact Match Leads provided to it by Angi Leads; (iii) SP hereby agrees to pay for any and all Exact Match Leads, in accordance with the then current Angi Leads fee schedule; (iv) Angi Leads may provide SP's phone number to any individual calling the Exact Match Numbers; (v) SP acknowledges and agrees that not all consumers calling the SP's Exact Match Number or visiting the SP's online profile page will be directed to SP for reasons including, but not limited to the Exact Match consumer's request not matching the SP's profile, SP's account being on hold or no longer being a member of the Angi Leads network, or the SP not having any available spend target. In such event, Angi Leads may direct consumers from the SP's online profile page to the Angi Leads Website; (vi) SP hereby authorizes Angi Leads to take any and all actions necessary to generate click-throughs to SP's online profile page and telephone calls to Exact Match Numbers, including contracting with search engines, Internet directories, and other online and offline advertising sources and making the representations herein on behalf of SP to such third parties, and (vii) SP authorizes Angi Leads to use, copy, reproduce, and sublicense SP's contact information, SP's profile, and any content on the SP's online profile page in furtherance of the foregoing. You further acknowledge, that in the event you are using Angi Leads's Exact Match services, and you are also a LiveDirectory subscription member, you may appear in the LiveDirectory at different times as an Exact Match listing, or a LiveDirectory subscription member listing, but will only be charged Lead Fees when you receive a service request generated from your listing appearing as an Exact Match listing.

- p. In the event you participate in any promotion whereby Angi Leads promotes an offer or discount related to your services, whether on the Angi Leads Website, via direct mail, or otherwise, you agree to abide by the terms of such offer or discount.
- q. **By enrolling in the Angi Leads network or otherwise becoming a member of Angi Leads, and/or by inquiring about membership in the Angi Leads network or other Angi Leads products or services, you are requesting, and you expressly consent to being contacted by us and by our agents and representatives via phone, fax, email, mail or other reasonable means, at any of your contact numbers or addresses, even if you are listed on any federal, state, provincial or other applicable "Do Not Call" list, and even if you have previously opted-out from receiving marketing emails from Angi Leads, in order that we may provide the services set forth on our site, to service your account, to reasonably address matters pertaining to your account or for other purposes reasonably related to our business, including marketing related emails. You agree and acknowledge that Angi Leads and its affiliates may use automated phone technology (including autodialed and prerecorded messages) to provide you with operational communications concerning your account or use of the Services, updates concerning new and existing features on the Angi Leads website, communications concerning promotions run by us, and news concerning Angi Leads and industry developments, and that your consent is not required to purchase products or services. If a contact number you have provided to us is no longer your number, you agree to notify us promptly that you can no longer be reached at that number. You represent that you have received, and are authorized to convey to us, the consent of any authorized users on your account to be contacted by us as described in this Section. You agree that all consents provided in this Section will survive cancellation of your account. You consent to be automatically opted in to Angi Leads's SMS program, "Angi Leads Alerts," and agree that Angi Leads may send you text messages with instructions on setting up your account and special offers. For questions, Text HELP for more help or call (877)- 947-3639, and Text STOP to opt out of messages. Message and data rates may apply, and message frequency may vary. Carriers are not liable for delayed or undelivered messages, and supporting carriers include AT&T, Sprint, Verizon, T-Mobile & Metro-PCS. You may opt-out of receiving all text (SMS) messages from Angi Leads (including informational or transactional messages) by replying with the word "STOP" to a text message from us; however you acknowledge that opting out of receiving all texts may impact your use of the Services.**
- r. Angi Leads's mobile applications may implement location features that, if you consent, result in automatic collection of your geolocation information, in which case our mobile application may use such information to allow Angi Leads and



information for our internal business purposes, and for providing and enhancing our products and services and advertising. IF YOU WANT TO STOP THE AUTOMATIC COLLECTION OF YOUR LOCATION INFORMATION, YOU MAY DO SO BY USING THE PRIVACY SETTINGS ON YOUR DEVICE, OR BY UNINSTALLING OUR MOBILE APPLICATION. CERTAIN FEATURES, SUCH AS SAME DAY SERVICE, WILL NOT BE AVAILABLE IF YOU OPT OUT OF LOCATION COLLECTION.

- s. You represent and warrant that to the extent that a consumer is interested in any financing options, you will direct them to Angi Leads, and you will not attempt to apply for any financing on the consumer's behalf, or make any representations to the consumer regarding financing options or the likelihood of a consumer being approved for financing.

### 3. **Fees.**

- a. You agree to be bound by the then applicable pricing plan provisions (all fees are stated and payable in US dollars) for any and all Leads presented to you , or for any inclusion in our LiveDirectory service or any other subscription offering. Angi Leads reserves the right to charge your method of payment for any fees immediately upon receipt of your payment information by you or your representatives.

- i. Lead Fees. You agree that you will pay Angi Leads on a per Lead basis for all Leads. You may view a statement of your monthly Lead activity on your Angi Leads account, at [pro.homeadvisor.com](https://pro.homeadvisor.com) or in the Angi Pro App. We may, in our sole discretion and in accordance with our then-existing Lead credit policies, located at <https://legal.homeadvisorpros.com/#leadcredit>, issue you a credit ("Credit") for any Lead Fees that you dispute (by contacting Angi Leads via our Website, the Angi Leads Pro app, or by telephone), provided, however, that any and all requests for Credits must be received by Angi Leads within 45 days of the date that the Lead Fee charge was incurred. Credits that are issued to a Service Professional's account will be issued as store credits, which will be applied toward future charges to your account. Credits will expire, if not used, eighteen months after the date the Credit was issued. All Lead Fees constitute advertising fees paid by you to Angi Leads and are in no way, referral commissions based upon your successful completion of services.

- ii. Subscription Fees; License Fees; Other Recurring Fees.

For purchases of a subscription membership (monthly, quarterly, or

applicable. You agree that payments will be made by Angi Leads initiating an ACH transfer or processing your credit card, in advance, on a monthly, quarterly or annual basis, as applicable.

- i. **AUTOMATIC RENEWAL OF SUBSCRIPTION; After your initial subscription period, and again after any subsequent subscription period, your subscription will automatically continue for an additional equivalent period (each a "Renewal Term"), at the renewal price communicated to you at the time you purchased your initial subscription ("Renewal Price"), unless Angi Leads provides you with at least thirty (30) days advance notice of a change in your Renewal Price. You agree that your account will be subject to this automatic renewal feature. If you want to change or terminate your subscription, you may do so solely by contacting Angi Leads Customer Care at (877) 947-3676. If you cancel your subscription, you may use your subscription until the end of your then-current subscription term; your subscription will not be renewed after your then-current term expires, and you won't be eligible for any refund of any portion of the subscription fee paid for the then-current subscription period. By subscribing, you authorize Angi Leads to charge your provided payment method now and again at the beginning of any Renewal Term. You also authorize Angi Leads to charge you for any sales or similar taxes that may be imposed on your subscription payments. Upon the renewal of your subscription, if Angi Leads does not receive payment from your payment method or payment method provider, (i) you agree to pay all amounts due on your account upon demand, and/or (ii) you agree that Angi Leads may either terminate or suspend your subscription and continue to attempt to charge your payment method until payment is received.**
- ii. Free Trials and Other Promotions. Any free trial or other promotion that provides a subscription to the Angi Leads services automatically renews in the same manner as set forth above under the section titled "Automatic Renewal", provided, however, that the Renewal Price for any Renewal Terms will be higher than during the free trial or promotion initial term. You must cancel your subscription before the end of the trial period in order to avoid being charged the Renewal Price.
- iii. Discounts. When you purchase multiple products, you may be eligible for certain discounts, as set forth on the then-current pricing plan,

you have received a discount, may result in the discount being rescinded retroactively for the remaining products/services, and an immediate additional payment to be charged to your method of payment. Purchases of prepaid Lead bundles are nonrefundable, even after cancellation of membership.

- iii. You acknowledge that it is your responsibility to ensure that the communication methods that you have selected in your Angi Leads profile, and all contact and billing information, are kept up-to-date and accurate. Angi Leads is not responsible, or liable, for undelivered customer notifications. You agree to promptly notify Angi Leads if your payment method is canceled (including if you lose your card or it is stolen), or if you become aware of a potential breach of security (such as an unauthorized disclosure or use of your payment method). In addition, you authorize us to obtain updated or replacement expiration dates and card numbers for you credit or debit card as provided by your credit or debit card issuer.
- iv. You acknowledge that you will not receive a detailed account statement unless you provide Angi Leads with a valid email address or fax number. Your account balance is also available by calling (877) 947-3676 or via the Account tab of the Pro.Angi Leads.com Website. Angi Leads will process your balance due at the end of your billing period via your selected payment method. Past due balances will be subject to a late charge equal to the lesser of 1.5% per month or the maximum amount allowed by applicable law. In addition, any returned payments will incur a \$20 fee per transaction.
- v. Any disputes about charges to your account must be submitted to Angi Leads in writing within 30 days of the date such charges are incurred. You agree to waive all disputes not made within the 30 day period, and all such charges will be final and not subject to challenge.
- vi. Past due accounts may be turned over to a third-party collection agency and reported to a credit rating agency and we may bill you for, and you agree to pay for any and all collection and related litigation fees.
- vii. No fee is due or payable to the extent such fee is in violation of any applicable law.
- viii. Angi Leads is not obligated to refund to you any amounts of prepaid Lead Fees or other prepaid fees such as subscription fees, except solely in the event you rescind or terminate your subscription within the seventy two (72) hour period following your agreement to purchase a subscription.

ix. You authorize Angi Leads to charge you for any sales or similar taxes that may be imposed on your subscription payments, Lead fees, or any other fees charged by Angi Leads.

#### 4. **Angi Pay**

- a. When a project has been completed, you may be offered the ability to receive your payment from the consumer directly via the Angi Leads mobile application (“Angi Pay”) in one of two ways, either by you requesting payment from a consumer, or by a consumer initiating payment to you. To request payment, you log into your Angi Leads App, go to your Lead Details, and click request payment for the appropriate Lead. If a consumer has sent you money for services, you will be able to log into your Angi Leads App, select how you wish to be paid (either to your bank account or to a debit card), and the payment will be processed promptly. You will have sixty (60) days after the consumer submits a payment to collect the payment. Should you opt out of Angi Pay (by going to Settings in your App, clicking the Angi Pay section and selecting Disable Angi Pay) or fail to collect your payment within this sixty day period, you and the consumer will be notified that the payment has been cancelled, and you will need to seek payment from the consumer directly. Angi Pay may not be used to charge a Lead fee to a consumer, it may only be used for collecting payment for a won job.
- b. By participating in Angi Pay and agreeing to the Angi Leads Terms, you agree that you are accepting payments from Angi Leads consumers via Angi Pay and that Angi Leads is authorized to store your bank account or debit card information for future payments, and that Angi Leads may deposit all future payments into your Angi Pay account. You further agree that you will not seek payment from the consumer directly where you have received payment from the consumer through Angi Pay, and that you will only seek payment for services you have performed or will perform.
- c. Angi Leads, in its sole and absolute discretion, may refuse to approve or may terminate existing enrollments for Angi Pay with or without cause or notice, other than any notice required by any applicable law, and not waived herein. Angi Leads may ban you from using Angi Pay (and the Angi Leads services) if we believe you are abusing Angi Pay. Angi Leads may also cancel a payment request made through Angi Pay if such request is improper in Angi Leads's reasonable commercial discretion.
- d. You acknowledge and agree that your payments made through Angi Pay are transactions between you and the consumer and not with Angi Leads or any of its affiliates. Angi Leads is not a party to your payments unless expressly designated as such on the Angi Leads website.

- e. Angi Pay may not be used to process a payment, or otherwise transfer money between you and a consumer, that is unrelated to the consumer's purchase of services from you. You may not use Angi Pay to purchase any illegal goods or services or for any other underlying illegal transaction. You agree that you will not use Angi Pay to purchase any services or products that violate these Terms, other policies or rules applicable to Angi Pay, or applicable law. Failure to comply with these limitations may result in suspension or termination of your use of Angi Pay and/or your Angi Leads account.
- f. You agree to release Angi Leads, its affiliates, and their agents, contractors, officers and employees, from all claims, demands and damages (actual and consequential) arising out of or in any way connected with a dispute related to Angi Pay. You agree that you will not involve Angi Leads in any litigation or other dispute arising out of or related to any transaction, agreement, or arrangement in connection with Angi Pay. If you attempt to do so, (i) you shall pay all costs and attorneys' fees of Angi Leads and its affiliates and shall provide indemnification as set forth below, and (ii) the jurisdiction for any such litigation or dispute shall be limited as set forth in Section X. However, nothing in these Terms waives any rights, claims or defenses that you may have with respect to a payment under an agreement with your method of payment issuer, the card association rules or applicable state and federal laws.
- g. Payment processing services for Service Professionals are provided by Stripe and are subject to the Stripe Connected Account Agreement, located at <https://stripe.com/us/connect-account/legal>, which includes the Stripe Terms of Service, located at <https://stripe.com/us/legal> (collectively, the Stripe Services Agreement). By agreeing to these Terms herein, you agree to be bound by the Stripe Services Agreement, as the same may be modified by Stripe from time to time. As a condition of participating in Angi Pay through Stripe, you agree to provide Angi Leads accurate and complete information about you and your business, and you authorize Angi Leads to share it and transaction information related to your use of the payment processing services provided by Stripe. You also authorize Angi Leads to pass on information provided by you (e.g. your birthday or the last four digits of your social security number) to Stripe so that Stripe may use it to protect the integrity of your account.
- h. While we will use commercially reasonable efforts to ensure the security of all credit card and all other personal information, we expressly disclaim any liability for any damage that may result should any information be released to any third parties, and you agree to hold us harmless for any damages that may result therefrom.

i. If we determine that your actions or performance may result in returns,

chargebacks, claims, disputes, violations of our terms or policies, or other risks to Angi Leads or third parties, or any payments to consumers that Angi Leads makes, then Angi Leads may either charge your method of payment on file with us for such payments, or withhold any payments to you for as long as we determine any related risks to Angi Leads or third parties persist. For any amounts that we determine you owe us, we may (i) immediately charge your method of payment; (ii) offset any amounts that are payable by you to us (in reimbursement or otherwise) against any payments we may make to you or amounts we may owe you; (iii) invoice you for amounts due to us, in which case you will pay the invoiced amounts upon receipt; (iv) reverse any credits to your bank account; or (v) collect payment or reimbursement from you by any other lawful means.

5. **Angi Leads Seal of Approval.** While this Agreement remains in effect, and while you remain in full compliance with all terms set forth herein, Angi Leads hereby grants you a non-exclusive, non-transferrable, non-sublicenseable, license to use and display the Angi Leads Seal of Approval in connection with marketing your business. You agree that any use or display of the Angi Leads Seal of Approval must comply with all standards and guidelines of Angi Leads adopted from time to time with respect to the proper use and display of the Angi Leads Seal of Approval.

a. **Restrictions.** You may only use the Angi Leads Seal of Approval in the event you pass Angi Leads's pre-screening criteria initially and annually thereafter, which shall be determined in Angi Leads's sole discretion. Angi Leads may also re-screen your business at any time in its sole discretion, and may terminate this Agreement in Angi Leads's sole discretion. Further, you agree that you will use and display the Angi Leads Seal of Approval solely in connection with the tasks for which Angi Leads pre-screens you. For example, if you are pre-screened as a plumber, you may not use the Angi Leads Seal of Approval to advertise your business for any services other than plumbing services. Further, you may only use the Angi Leads Seal of Approval in the state or states for which you have been pre-screened by Angi Leads. You may only use the Angi Leads Seal of Approval for its intended use, and you may not misrepresent Angi Leads, Angi Leads's products or Services, your affiliation with Angi Leads, or the Angi Leads Seal of Approval. If at any time any of your screening status should change (i.e. state-level license terminated; fall out of good standing in your state of incorporation), you must immediately report such change to Angi Leads, and if such change causes your business to fail Angi Leads's screening criteria, in Angi Leads's sole discretion, then your license to use the Angi Leads Seal of Approval is immediately suspended, and if not remedied to Angi Leads's satisfaction within thirty days of notification, this Agreement shall automatically terminate. You also hereby agree to be re-screened by Angi Leads annually, and at any other time as desired by Angi Leads, and failure to allow such

in the immediate and automatic termination of this Agreement. The license granted hereunder is solely for the use of the Angi Leads Seal of Approval, and you do not have any right to use the Angi Leads name or logo separately or apart from the Angi Leads Seal of Approval.

- b. Accessing the Angi Leads Seal of Approval. You agree that you shall access the Angi Leads Seal of Approval solely via the following methods: (a) via a code snippet provided to you by Angi Leads for use online on your website, or (b) any other method generally offered by Angi Leads. You may not make any changes or modifications to the Angi Leads Seal of Approval (including the code snippet), and shall only use the Angi Leads Seal of Approval in the exact form and format in which it is provided to you by Angi Leads.
- c. **Review Magic.** If you purchase a Professional Website, you will have the ability, via our "Review Magic" functionality, to select certain of your Angi Leads consumer Ratings & Reviews from your Angi Leads profile page, to be displayed on your Professional Website. Angi Leads authorizes you to use the Review Magic functionality, and display such Ratings & Reviews on your Professional Website solely while you remain an active member, in good standing, of the Angi Leads network. If at any time your membership in the Angi Leads network is terminated, by either you or Angi Leads, you shall no longer be authorized to display such Ratings & Reviews on your Professional Website, and you agree to remove all such Ratings & Reviews immediately.

## 6. Leads Outside of Spend Target

- a. **Instant Booking. Unless you expressly opt-out,** Angi Leads may send you booked leads under Angi Leads's Instant Booking program ("Instant Booking"), which allows consumers to book appointments with you, on a calendar set up for you on the Angi Leads Website ("Booked Appointments"). You may choose to sync your own online calendar with the Angi Leads Instant Booking calendar so that these bookings will show up in real-time on your own calendar. We will notify you and attempt to confirm these bookings with you, so if you choose not to sync with the Angi Leads calendar, we recommend that you log in to your Angi Leads account and update the Angi Leads calendar to block out dates and times when you are not available or do not wish to book appointments. As part of Instant Booking, you agree to the following: (i) you shall update, maintain, and keep current your schedule in the Angi Leads Online Calendar (or any other calendar with which Angi Leads has integrated), (ii) you will confirm every Booked Appointment, provided, however, that you shall be charged for all Booked Appointments, regardless of whether you confirm them or not, (iii) you shall honor every Booked Appointment, show up on time for all such appointments, and honor any quotes or estimates

you provide to consumers, (iv) you shall pay a premium lead fee for Booked Appointments (v) you understand and agree that Booked Appointments are not guaranteed jobs, but merely consumer leads, and that you are obligated to pay the applicable lead fees regardless of whether the consumer hires you, or even shows up for, or cancels, the booked appointment, (vi) lead fees for Booked Appointments are in addition to, and do not count toward, your spend targets for Leads, and therefore, if you have reached your spend target, you would still be charged for any Booked Appointments received thereafter. Angi Leads reserves the right to terminate your participation in Instant Booking at any time, for any reason or no reason.

- b. **Instant Connect.** Angi Leads may offer you the opportunity to participate in Angi Leads's Instant Connect program ("Instant Connect"), which allows consumers to request to be connected to you directly via telephone. If you participate in Instant Connect, you agree to the following: (i) you shall pay a premium Lead fee for Instant Connect leads, (ii) you understand and agree that Instant Connect Leads are not guaranteed jobs, but merely consumer Leads, and that you are obligated to pay the applicable Lead fees regardless of whether the consumer hires you, (iii) Lead fees for Instant Connect are in addition to, and do not count toward, your spend targets for Leads, and therefore, if you have reached your spend target, you would still be charged for any Instant Connect Leads received thereafter. Angi Leads reserves the right to terminate your participation in Instant Connect at any time, for any reason or no reason.
- c. **Opportunity Leads.** Angi Leads may offer you the opportunity to participate in Angi Leads's Opportunity Leads Program, which allows you to view and select additional job opportunities (consumer leads) submitted by consumers that may be outside of your selected zip codes. If you accept an Opportunity Lead, you agree to the following: (i) you shall pay a premium Lead fee for Opportunity Leads, (ii) you understand and agree that Opportunity Leads are not guaranteed jobs, but merely consumer Leads, and that you are obligated to pay the applicable Lead fees regardless of whether the consumer hires you, (iii) Lead fees for Opportunity Leads are in addition to, and do not count toward, your spend targets for Leads, and therefore, if you have reached your spend target, you would still be charged for any Opportunity Leads you have accepted thereafter, (iv) you must have the latest version of the Angi Leads mobile application to receive Opportunity Leads, (v) even if you have turned your Leads off, if you select an Opportunity Lead, you will be charged for that Lead, and (vi) you understand that Opportunity Leads are not exclusive to you and may also be sent to other service professionals. Elite 360 members and/or members enrolled in Angi Leads under a corporate membership account are not eligible to participate in the Opportunity Leads Program.



d. **Miscellaneous.** Your spend target may be exceeded if you are experiencing high demand and you lower your spend target, because only the remainder of the 28-day period from when the spend target was changed will be managed by the new prorated spend target. Additionally, your exact spend target may be exceeded in the normal course of events by one Lead because our matching algorithm will send a Lead up until the precise point your spend target is exceeded (i.e. if your spend target is \$500, and you are currently at \$480, you may still receive a Lead valued at \$40, at which point you would not receive any more Leads as you would have exceeded \$500).

**7. Indemnification; Limitation of Liability; Disclaimer of Warranties.**

a. Indemnification. You shall fully protect, indemnify and defend Angi Leads and all of its agents, officers, directors, shareholders, suppliers, partners, employees and each of their successors and assigns ("Indemnified Parties") and hold each of them harmless from and against any and all claims, demands, liens, damages, causes of action, liabilities of any and every nature whatsoever, including but not limited to personal injury, intellectual property infringement, fraud, deceptive advertising, violation of any state, provincial or federal laws or regulations, property damage, attorneys' fees and court costs, arising in any manner, directly or indirectly, out of or in connection with or in the course of or incidental to (i) any of your work for or dealings with any customers, (ii) your advertising, or (iii) your services, representations, or obligations (including but not limited to your obligation to maintain the confidentiality of user personal information) set forth in this Agreement, including any extra work you perform for a customer for which Angi Leads has not matched you, and in connection with your use of the Angi Leads Seal of Approval, REGARDLESS OF CAUSE OR OF ANY FAULT OR NEGLIGENCE OF ANGI LEADS OR THE INDEMNIFIED PARTIES AND WITHOUT REGARD TO CAUSE OR TO ANY CONCURRENT OR CONTRIBUTING FAULT, STRING LIABILITY OR NEGLIGENCE, WHETHER SOLE, JOINT OR CONCURRENT, ACTIVE OR PASSIVE BY ANGI LEADS OR THE INDEMNIFIED PARTIES.

i. Limitation of Liability. IN NO EVENT ARE WE LIABLE TO YOU FOR ANY CONSEQUENTIAL, INDIRECT, INCIDENTAL, PUNITIVE OR SPECIAL DAMAGES, LOST REVENUE, LOST PROFITS OR LOSS OF GOODWILL. IN NO EVENT WILL THE TOTAL AGGREGATE LIABILITY OF ANGI LEADS TO YOU EXCEED THE AMOUNT OF FEES ACTUALLY PAID BY YOU TO ANGI LEADS DURING THE PRECEDING 12 MONTHS, REGARDLESS OF THE BASIS OR FORM OF CLAIM

ii. Disclaimer of Warranties. YOU ACKNOWLEDGE AND AGREE THAT THE ANGI LEADS SERVICES AND ANGI LEADS SEAL OF APPROVAL ARE PROVIDED TO YOU ON AN "AS IS" BASIS, AND ANGI LEADS DISCLAIMS ANY AND ALL

EXPRESS OR IMPLIED WARRANTIES, INCLUDING BUT NOT LIMITED TO ANY WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND NON-INFRINGEMENT, TO THE MAXIMUM EXTENT PERMITTED BY LAW

## 8. AGREEMENT TO ARBITRATE ALL DISPUTES AND GOVERNING LAW.

- a. The exclusive means of resolving any dispute between you and Angi Leads or any claim or controversy arising out of or relating to or that have arisen based on use of this Website and/or Angi Leads's services (including any alleged breach of these Terms and Conditions) shall be BINDING ARBITRATION administered by the American Arbitration Association, EXCEPT AS EXPRESSLY PROVIDED BY APPLICABLE FEDERAL OR STATE LAW. You may not under any circumstances commence, participate in or maintain against Angi Leads any class action, class arbitration, or other representative action or proceeding.

### **\*NOTICE OF RIGHTS\***

- b. By using the Website and/or Angi Leads's services in any manner, you agree to the above arbitration agreement. In doing so, YOU GIVE UP YOUR RIGHT TO GO TO COURT to assert or defend any claims between you and Angi Leads. YOU ALSO GIVE UP YOUR RIGHT TO PARTICIPATE IN A CLASS ACTION OR OTHER CLASS PROCEEDING. Your rights will be determined by a NEUTRAL ARBITRATOR, NOT A JUDGE OR JURY. You are entitled to a fair hearing before the arbitrator. The arbitrator can grant any relief that a court can, but you should note that arbitration proceedings are usually simpler and more streamlined than trials and other judicial proceedings. Decisions by the arbitrator are enforceable in court and may be overturned by a court only for very limited reasons.
- i. Any proceeding to enforce this arbitration agreement, including any proceeding to confirm, modify, or vacate an arbitration award, may be commenced in any court of competent jurisdiction. In the event that this arbitration agreement is for any reason held to be unenforceable, any litigation against Angi Leads may be commenced only in the federal or state courts located in Denver County, Colorado. You hereby irrevocably consent to the jurisdiction of those courts for such purposes.
- ii. These Terms and Conditions, and any dispute between you and Angi Leads, shall be governed by the laws of the state of Colorado without regard to principles of conflicts of law, provided that this arbitration agreement shall be governed by the Federal Arbitration Act.

## 9. Other Terms.

a. This Agreement, and the Angi Leads fees, including Lead prices, may be changed from time to time. By continuing to use any Angi Leads services you are agreeing to be bound by any such non-material changes. Material changes to this Agreement will be posted on the Angi Leads Website at [pro.AngiLeads.com/terms/terms-conditions/](https://pro.AngiLeads.com/terms/terms-conditions/) and periodically communicated to you by email, text, the Angi Leads Pro app or other reasonable means. By continuing to use any Angi Leads services after receiving any such notice of changes from Angi Leads, you are agreeing to all such changes.

- i. You may terminate this Agreement upon our receipt of your notice during normal business hours (such termination to be effective upon the close of business on the day properly delivered and received), but you shall be obligated to pay for any Leads or services delivered to you prior to us receiving your termination during normal business hours.
- ii. Angi Leads, in its sole discretion, reserves the right to suspend your rights under this Agreement or terminate this Agreement and your membership in the Angi Leads network immediately at any time for any reason or no reason at all.
- iii. If this Agreement is terminated or expires, your agreements and obligations under this Agreement shall continue; and any Leads provided to you during the term of this Agreement and relationships you enter into or create from those Leads will continue to be governed by this Agreement including but not limited to with respect to any disputes that may arise or claims that may be made against us and any indemnification of us by you for such claims. Further, in the event this Agreement is terminated or expires, (i) all licenses granted to you under this Agreement shall immediately terminate, and you shall have no further right to access, use or display the any Angi Leads content, including but not limited to the Angi Leads Seal of Approval in any manner, and (ii) you agree to destroy any materials containing the Angi Leads Seal of Approval. Upon any termination of this Agreement, you will no longer have access to your Angi Leads account.
- iv. If it is determined or suspected by Angi Leads in its sole discretion that you are misusing or attempting to misuse or circumvent the Angi Leads services or system or any customer data, or are using or attempting to use it for any inappropriate, illegal, harmful, or anti-competitive, purposes, including but not limited to activities such as hacking, infiltrating, fraud, advertising, jamming or spamming, or any activities inconsistent with the services proposed to be offered by Angi Leads, in addition to our right to immediately terminate this Agreement, Angi Leads reserves the right, in its sole

proceedings to seek appropriate remedies and/or damages, including but not limited to lost revenue, repairs, legal fees, costs and expenses, and to seek injunctions or other equitable remedies.

- v. In the event of termination of this Agreement, except as set forth in Section 3 herein, you shall not be entitled to any refund of any fees paid to us, including any prepayments.
- vi. You will be liable for any attorneys' fees and costs if we have to take any legal action (including the retention of a lawyer) to enforce this Agreement. The laws of the State of Colorado (excluding the laws and principles with respect to conflicts of law) govern this Agreement. You hereby consent and agree that the state or federal courts in Denver Colorado are the exclusive forum for litigation of any claim by you arising under this Agreement or your use of the Angi Leads Website and/or Services, and you submit to sole and exclusive jurisdiction in the state of Colorado, and hereby irrevocably waive and relinquish any right to bring, or cause to be brought, any such action, or to have any such action brought, in any judicial or administrative forum outside of such forum.
- vii. You understand and agree that you are an independent contractor of Angi Leads, and are not a Angi Leads employee, joint venturer, partner, or agent. You acknowledge that you set or confirm your own prices, provide your own equipment, and determine your own work schedule. Angi Leads does not control, and has no right to control, the services you provide (including how you provide such services) if you are engaged by a consumer, except as specifically noted herein.
- viii. If any provision of this Agreement is held by any court or other authority of competent jurisdiction to be invalid, illegal or in conflict with any applicable state or federal law or regulation, such law or regulation shall control, to the extent of such conflict, without affecting the remainder of this Agreement.
- ix. Wireless data usage is subject to the fees and terms of your wireless subscriber agreement or data service plan with your provider, and you may incur charges from your telephone service provider for text messages, phone calls, email communications and data transferred.
- x. Angi Leads and its affiliates may view, store, access and disclose messages exchanged between you and consumers transmitted via Angi Leads's messaging platform or Angi Leads' website.

- xi. Angi Leads has the right to use all information related to You in accordance with its Privacy Policy, which can be found at <https://legal.homeadvisor.com/#privacy-policy>
- xii. You agree not to copy/collect Angi Leads content via robots, spiders, scripts, scrapers, crawlers, or any automated or manual equivalent (e.g., by hand).

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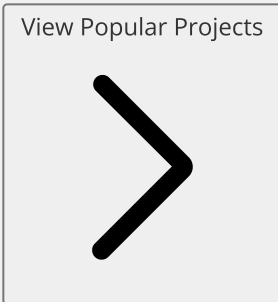
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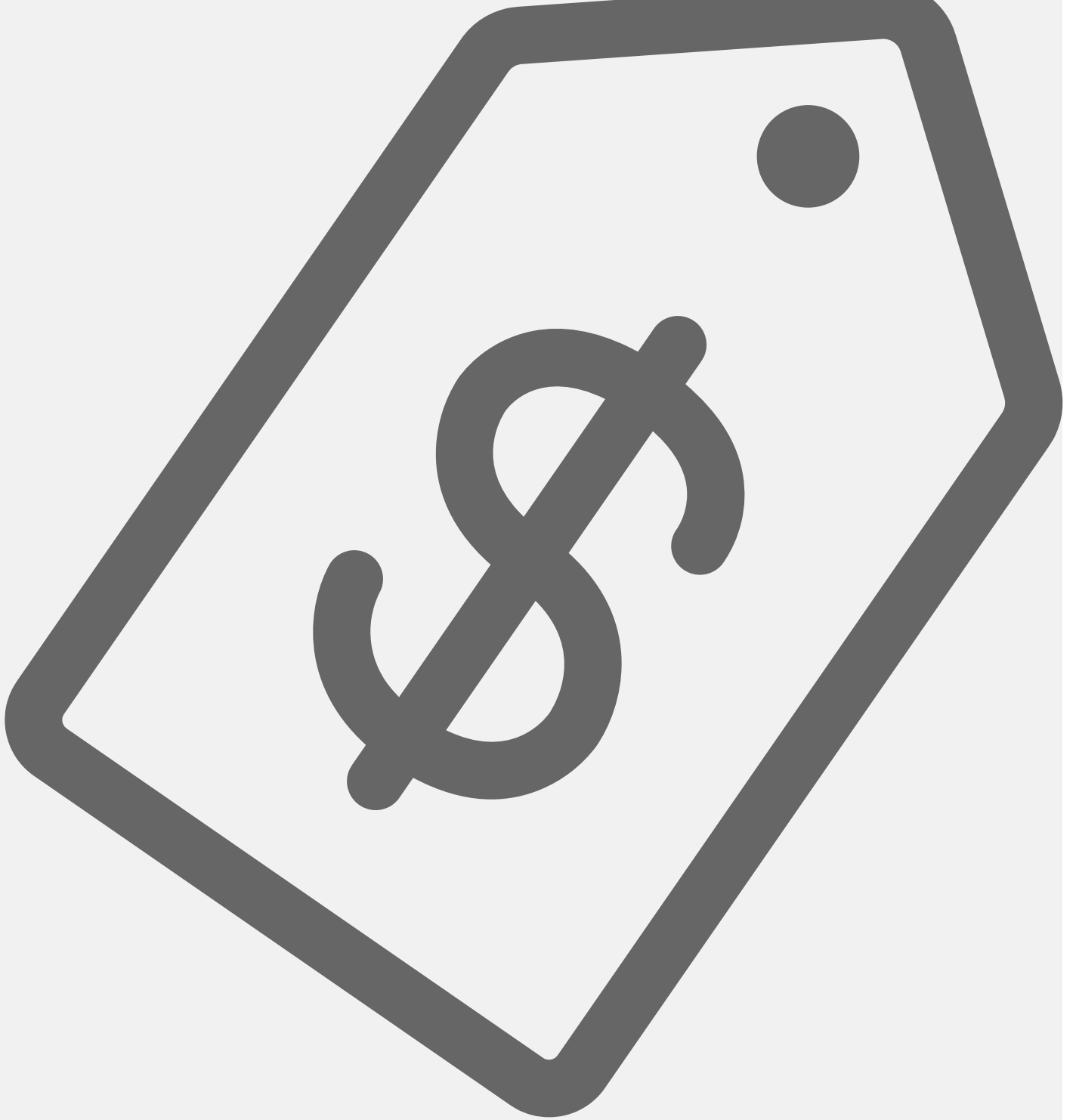
### Most Popular Projects

- [Additions & Remodeling](#)
- [Air Conditioning & Cooling](#)
- [Bathroom Remodeling](#)
- [Builders \(New Homes\)](#)
- [Cabinets](#)
- [Carpentry](#)
- [Carpet Installation](#)
- [Ceiling Installation](#)
- [Cleaning Services](#)
- [Concrete](#)
- [Countertop Installation](#)
- [Decks](#)
- [Decorators & Designers](#)
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- [Foundation Installation](#)
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- o Gutters
- o Handyman Services
- o Heating & Cooling
- o Kitchen Remodeling
- o Landscaping
- o Lawn Care
- o Painting
- o Plumbing
- o Roofing Services
- o Siding
- o Swimming Pools, Spas, Hot Tubs & Saunas
- o Tile
- o Wall Repair
- o Windows Installation
- o [See All Categories](#)

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## Popular Review Categories

- Additions & Remodeling
- Air Conditioning
- Brick & Stone
- Carpenters
- Carpet & Upholstery Cleaning
- Cleaning & Maid Services
- Concrete
- Decks
- Drywall & Plaster
- Electrical
- Fences
- Flooring & Carpet
- Foundations
- Gutters
- Handyman Services
- Heating & Furnace Systems
- Home Inspection
- Insulation
- Landscaping
- Lawn & Garden Care
- Mold & Asbestos Services
- Painting
- Pest Control
- Plumbing
- Roofing
- Siding
- Swimming Pools
- Tile
- Tree Service
- Windows

[See All Categories](#)

### Top Projects

- Basement Remodel
- Bathroom Remodel
- Central A/C Install
- Foundation Repair
- Junk Removal
- Kitchen Remodel
- Lawn Mowing
- Major Home Repairs
- Sunroom Construction

◦ Write a Review

Help your neighbors make an informed decision. Your opinion matters!

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## True Cost Guide

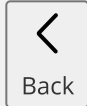
- AC Repair Cost
- AC Unit Cost
- Basement Costs
- Bathroom Remodel Cost
- Cabinet Installation Cost
- Carpentry Framing Cost
- Carpet Installation Cost
- Cleaning Service Cost
- Cost to Add a Bathroom
- Cost to Build a House
- Cost to Build a Kitchen
- Cost to Build an Outbuilding
- Cost to Hire a Painter
- Cost to Insulate a House
- Cost to Paint a House
- Cost to Plant a Tree
- Countertop Installation Cost
- Door & Window Costs
- Electrician Prices List
- Fence Installation Cost
- Fencing Costs
- Flooring Installation Cost
- Foundation Repair Cost
- Furnace Installation Cost
- Gutter Cleaning Cost
- Handyman Price List
- Hardwood Flooring Cost
- Home Addition Cost
- Home Extension Cost
- House Siding Cost
- HVAC Replacement Cost
- Inground Pool Cost
- Interior Painting Cost
- Kitchen Remodel Cost
- Landscaping Costs
- Lawn Care Cost
- Maid Service Cost
- Plumbing Costs
- Pool with Hot Tub Cost
- Porch & Deck Costs
- Roofing Costs
- Roof Replacement Cost
- Stair & Railing Costs

- Tree Removal Cost
- Water Heater Replacement Cost
- Window Installation Cost
- See All Categories

- **Plan Your Project**

Find hiring guides, material costs, expert advice, how-to's and more.

[Resource Center](#)



## Pros Near You

- AC Repair
- Appliance Repair
- Arborists
- Bathroom Remodeling
- Carpenters
- Carpet Cleaning
- Ceiling Fan Repair
- Computer Repair
- Deck Builders
- Driveway Paving
- Driveway Sealing
- Drywall Installers
- Electricians
- Fence Installers
- Flooring Companies
- Garage Door Install
- Garage Door Repair
- General Contractors
- Gutter Cleaning
- Gutter Installers
- HVAC Contractors
- HVAC Repair
- Handyman Services
- House Cleaning
- Landscapers
- Lawn Care
- Lawn Mowing
- Moving Companies
- Painters
- Pest Control
- Plumbers
- Pool Builders
- Roofers
- Septic Tank Cleaning
- Soil Delivery
- Tile Contractors
- Tree Removal
- Window Glass Repair
- Window Installers
- Window Repair

[See All Categories Near You](#)

## Download HomeAdvisor's Free App

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# HomeAdvisor's Screening Process

HomeAdvisor uses an extensive screening process to screen businesses and business owners/principals. We perform this screening when a business applies to join our network and, if the business is accepted, whenever concerns are brought to our attention. If you have concerns that a pro in our network doesn't meet these standards, please [contact us](#) to investigate. We're committed to maintaining a network of trusted home service businesses, and those who don't meet our criteria will be rejected or promptly removed from our network.



## Criminal Background Check

### Who does HomeAdvisor background check?

The owner or principal of each business in HomeAdvisor's network (with the exception of [Corporate Accounts](#)) must pass a background check. Unfortunately, we cannot perform a background check on every employee of a business—the background checks are performed only on the owner or principal. As always, we recommend that you conduct your own research on the businesses you hire, including making inquiries directly with the businesses regarding their employee background check policies.

### What does the background check cover?

We use a third-party vendor to conduct a criminal records search in the state in which the business owner or principal works. Our third-party vendor uses a national criminal database ("NCD") to screen service professionals. Businesses will not be admitted to the network if their owners or principals have the following felonies in their available criminal records\*:

- Arson
- Assault/domestic violence/battery



- Child abuse
- Intimidation/terrorist threats
- Kidnapping/abduction
- Lewd and lascivious behavior
- Manslaughter/murder/homicide/vehicular homicide
- Rape/incest
- Robbery/carjacking
- Sex offenses
- Other felonies not listed above that occurred in the past seven years
- Contracting without a license in the past seven years

Our background check does not exclude service professionals unless the crime at issue is a felony.

\*The comprehensiveness of the NCD varies by state. Please be aware that the reporting in the NCD is particularly limited in the following states: AL, CO, DE, GA, ID, IL, KS, LA, ME, MA, MI, MS, MT, NE, NV, NH, NM, SD, UT, VA, VT, and WY. After initial admission to the HomeAdvisor network, businesses are re-screened biennially.

### **How is COVID-19 impacting the HomeAdvisor background check program?**

Due to the coronavirus pandemic, several government agencies and courts across the country have temporarily closed their offices. While HomeAdvisor will continue its background check program to the extent possible, these closures could prevent some background checks from being performed. Please be advised that, during this period, if we could not perform a background check, HomeAdvisor will allow the business into the network and match the business to consumers. As affected government agencies and courts begin to re-open, we will resume our program in those jurisdictions. As always, we encourage consumers to perform their own research, to the extent possible, before hiring any business.



### **Licensing**

We verify any applicable state-level licenses, and we require every business to attest that they carry the appropriate local licensing to practice their trade. Please note that HomeAdvisor does not confirm local licensing. Do your own research using online ratings, reviews and through phone interviews before hiring a company.



### **State Business Filings**

If a business states that it's registered as a corporation or limited liability company, we confirm that the company is in good standing in the state in which they operate.



## Ratings

Businesses receive ratings from homeowners through HomeAdvisor. Once a business is rated, we require it to maintain an overall average of two stars or greater.



## Corporate Accounts

Some businesses are employees, franchisees, dealers or independent contractors ("Corporate SP's") of larger national or "Corporate Accounts". When this is the case, we may match you with the Corporate Account or with one of their Corporate businesses. The above screening process does not apply to Corporate Accounts, as HomeAdvisor does not screen Corporate Accounts or Corporate businesses.

We require all users - pros and homeowners - to uphold our core values as outlined in our [Code of Conduct](#).

Please see HomeAdvisor's [Terms and Conditions](#) for more detailed information on our pro requirements, screening processes, and disclaimers.

## Ready to start a project?

Check out these tips from Matt Zurcher, Sr. VP of Customer Care.

[View Project Tips](#)

## Related Articles



### **Questions to Ask Your Pro Before You Hire**



### **6 Steps to Ensure Project Perfection**



### **Arranging Payment for Your Project**

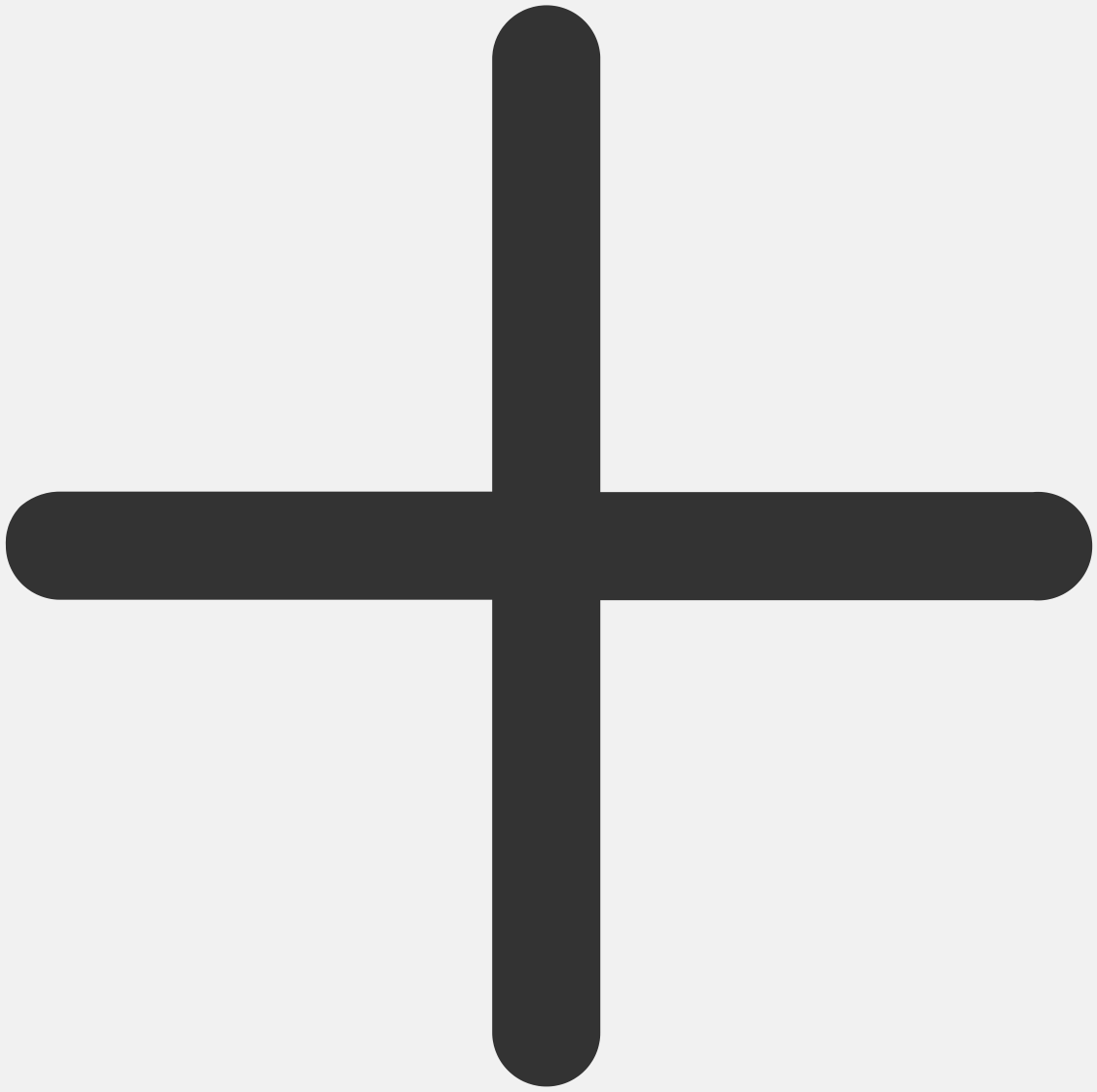


### **7 Mistakes to Avoid When Hiring Pros**

**Find Pre-Screened Pros in Your Area**

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## Most Popular Cities





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Browse by State



- Atlanta, GA
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- Dallas, TX
- Denver, CO
- Houston, TX
- Los Angeles, CA
- Miami, FL
- Milwaukee, WI
- Minneapolis, MN
- New Orleans, LA
- New York, NY
- Philadelphia, PA
- Portland, OR
- Salt Lake City, UT
- San Antonio, TX
- San Diego, CA
- San Francisco, CA
- Seattle, WA
- Washington, DC

Additional Cities



- Albuquerque, NM
- Alexandria, VA
- Alpharetta, GA
- Arlington, TX
- Arlington, VA
- Arvada, CO
- Ashburn, VA
- Aurora, CO
- Austin, TX
- Baltimore, MD
- Beaverton, OR
- Bellevue, WA
- Birmingham, AL
- Boca Raton, FL
- Boynton Beach, FL

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- Bradenton, FL
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- Chandler, AZ
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- Clearwater, FL
- Cleveland, OH
- Colorado Springs, CO
- Columbus, OH
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- Cypress, TX
- Dayton, OH
- Durham, NC
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- Fort Lauderdale, FL
- Fort Myers, FL
- Fort Worth, TX
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- Hollywood, FL
- Indianapolis, IN
- Jacksonville, FL
- Kansas City, MO
- Katy, TX
- Knoxville, TN
- Lake Worth, FL
- Las Vegas, NV
- Lawrenceville, GA
- Littleton, CO
- Louisville, KY
- Marietta, GA
- Mesa, AZ
- Naperville, IL
- Naples, FL
- Nashville, TN
- Oklahoma City, OK
- Omaha, NE
- Orlando, FL
- Overland Park, KS
- Phoenix, AZ
- Pittsburgh, PA
- Plano, TX
- Pompano Beach, FL
- Raleigh, NC
- Richmond, VA
- Sacramento, CA
- Saint Louis, MO
- Saint Paul, MN
- Saint Petersburg, FL
- San Jose, CA
- Sarasota, FL
- Scottsdale, AZ
- Silver Spring, MD
- Spokane, WA
- Spring, TX
- Staten Island, NY

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- Tacoma, WA
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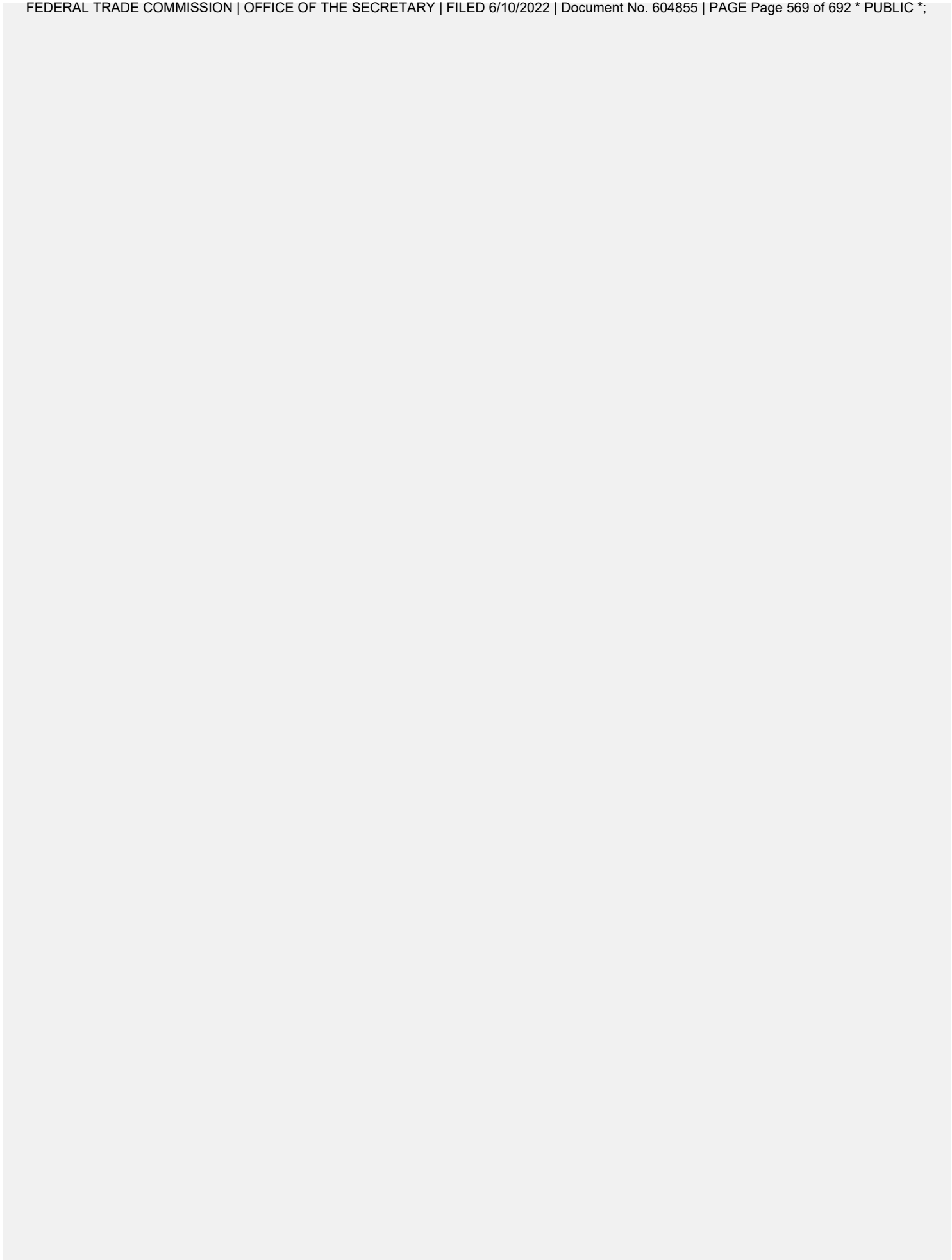
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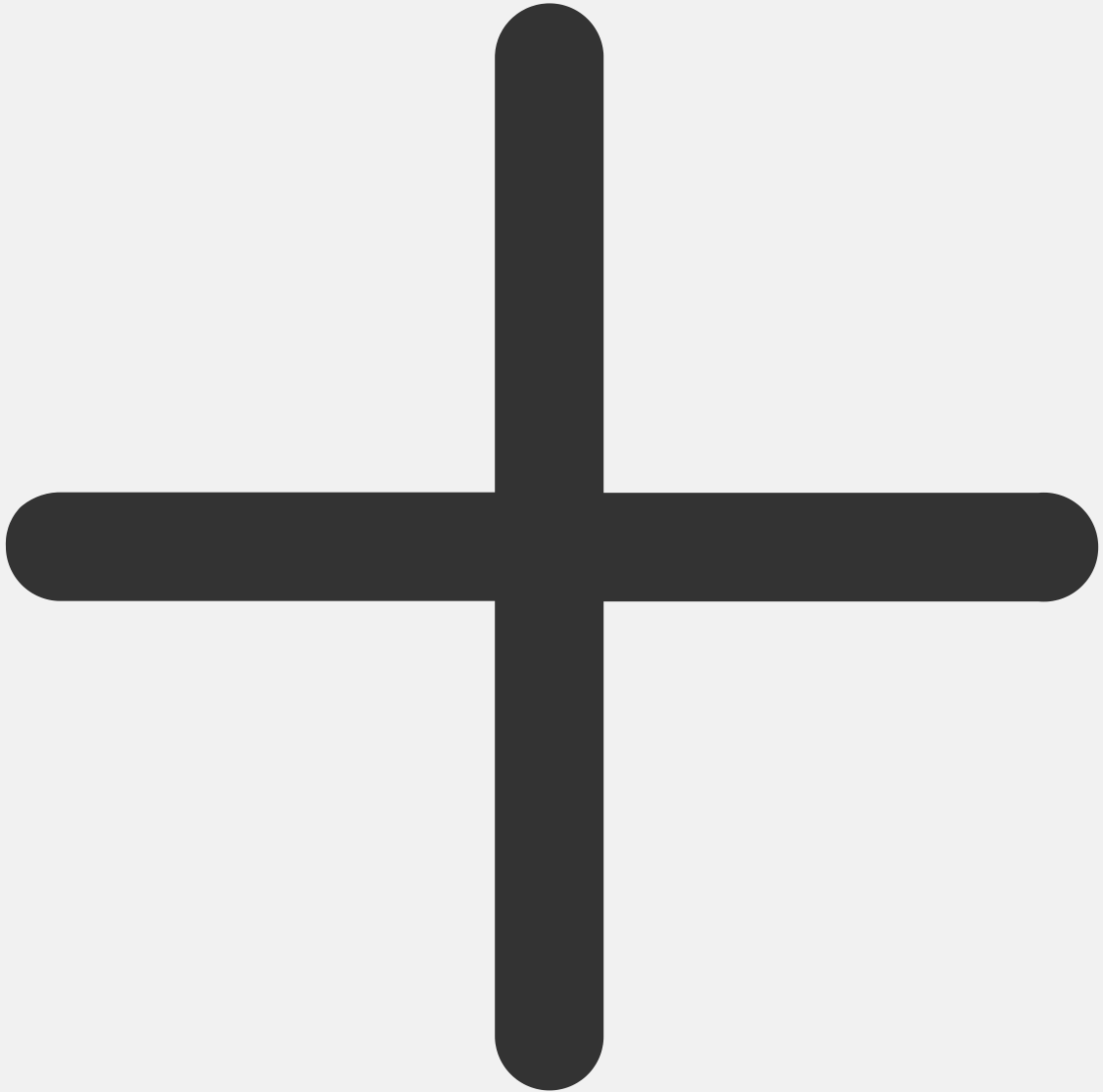
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### Homeowner Services



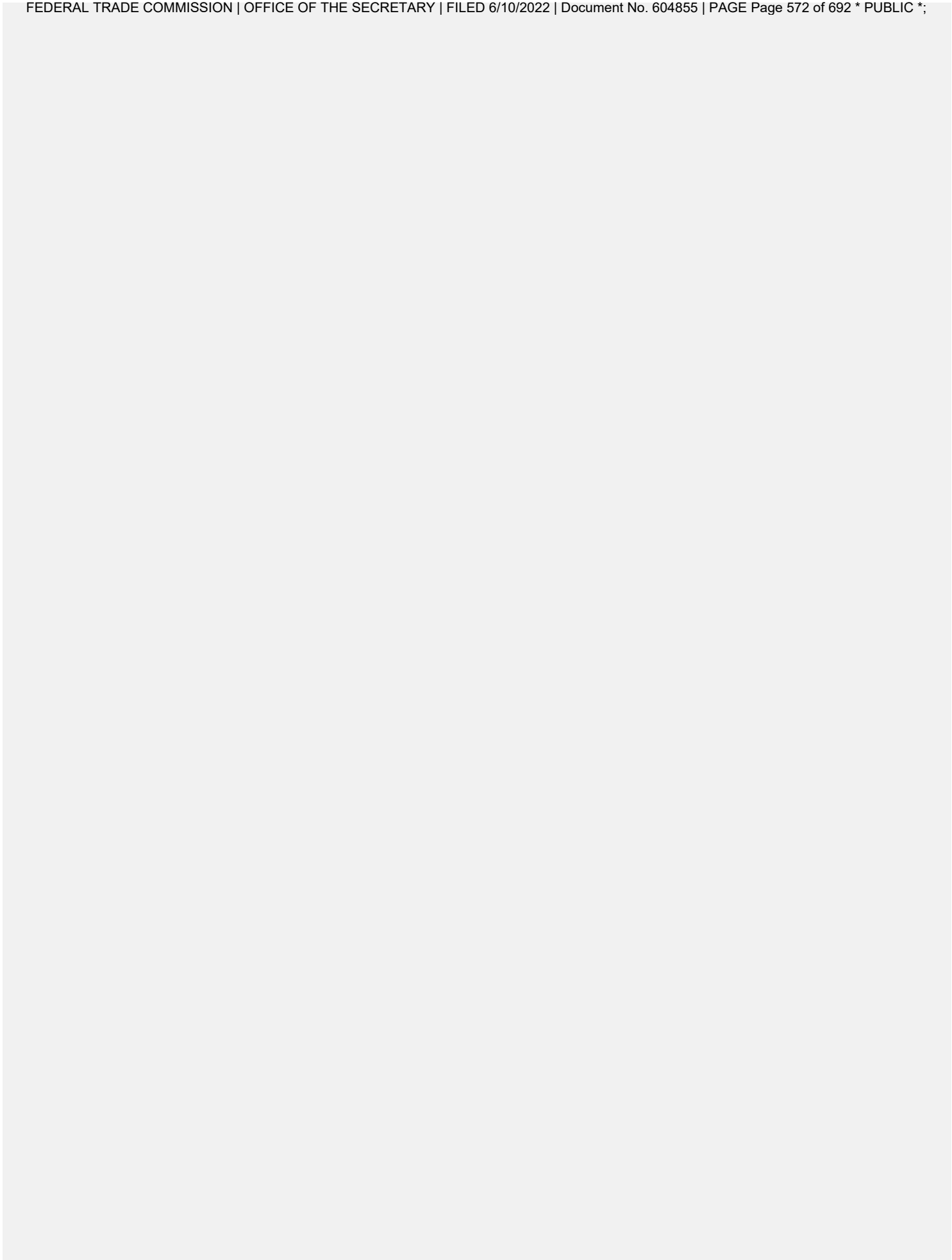


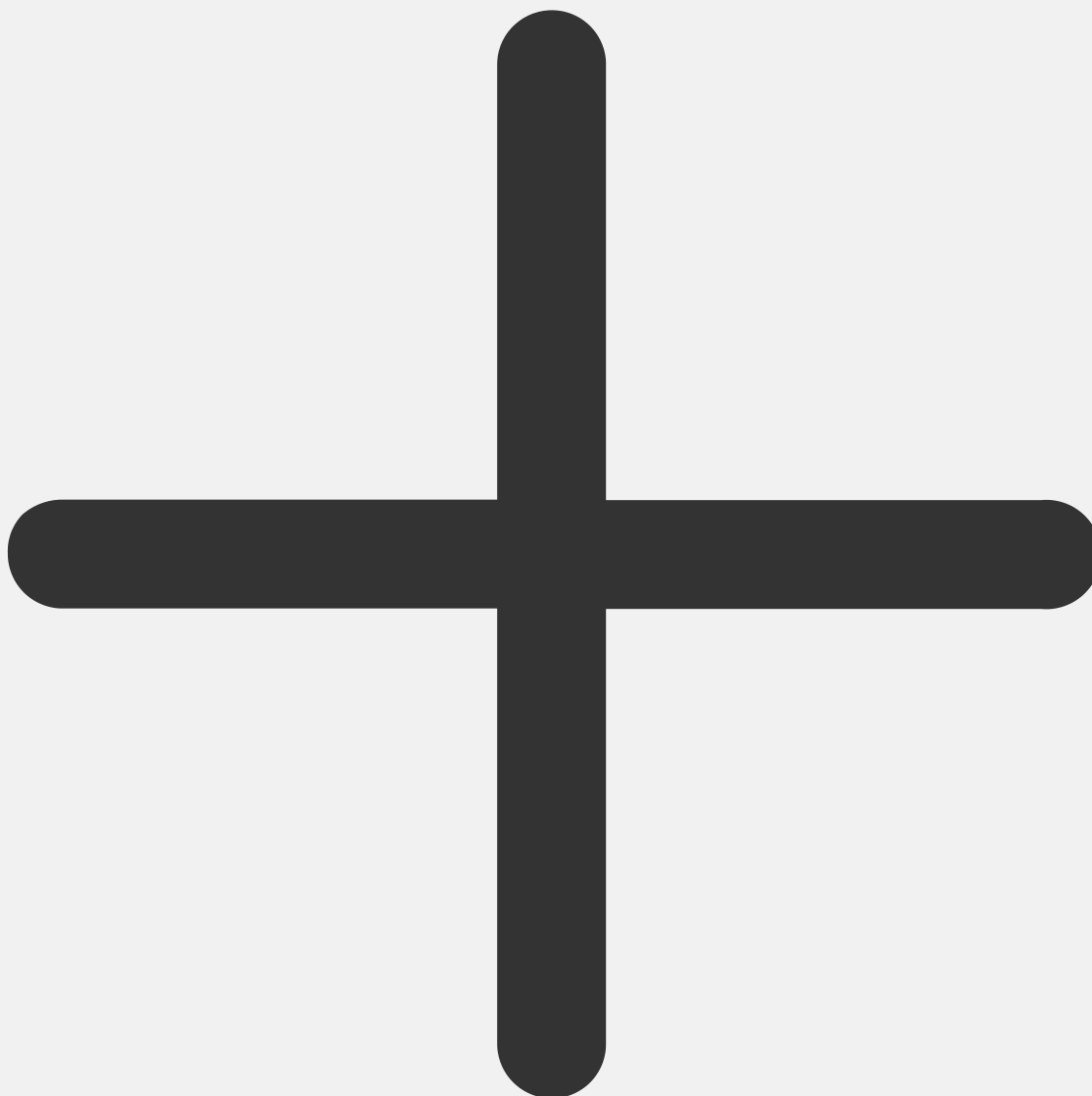




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**Homeowner Resources**

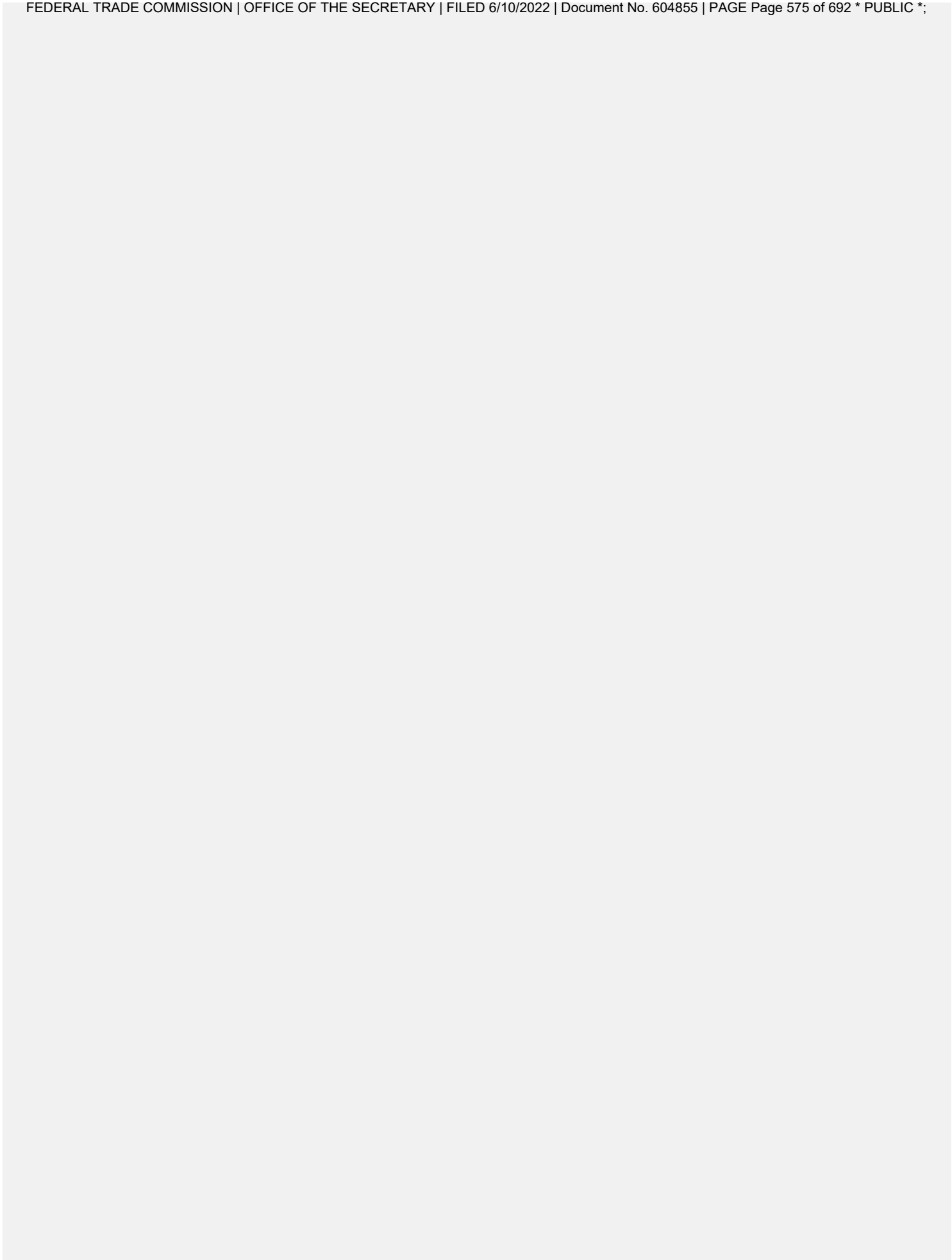


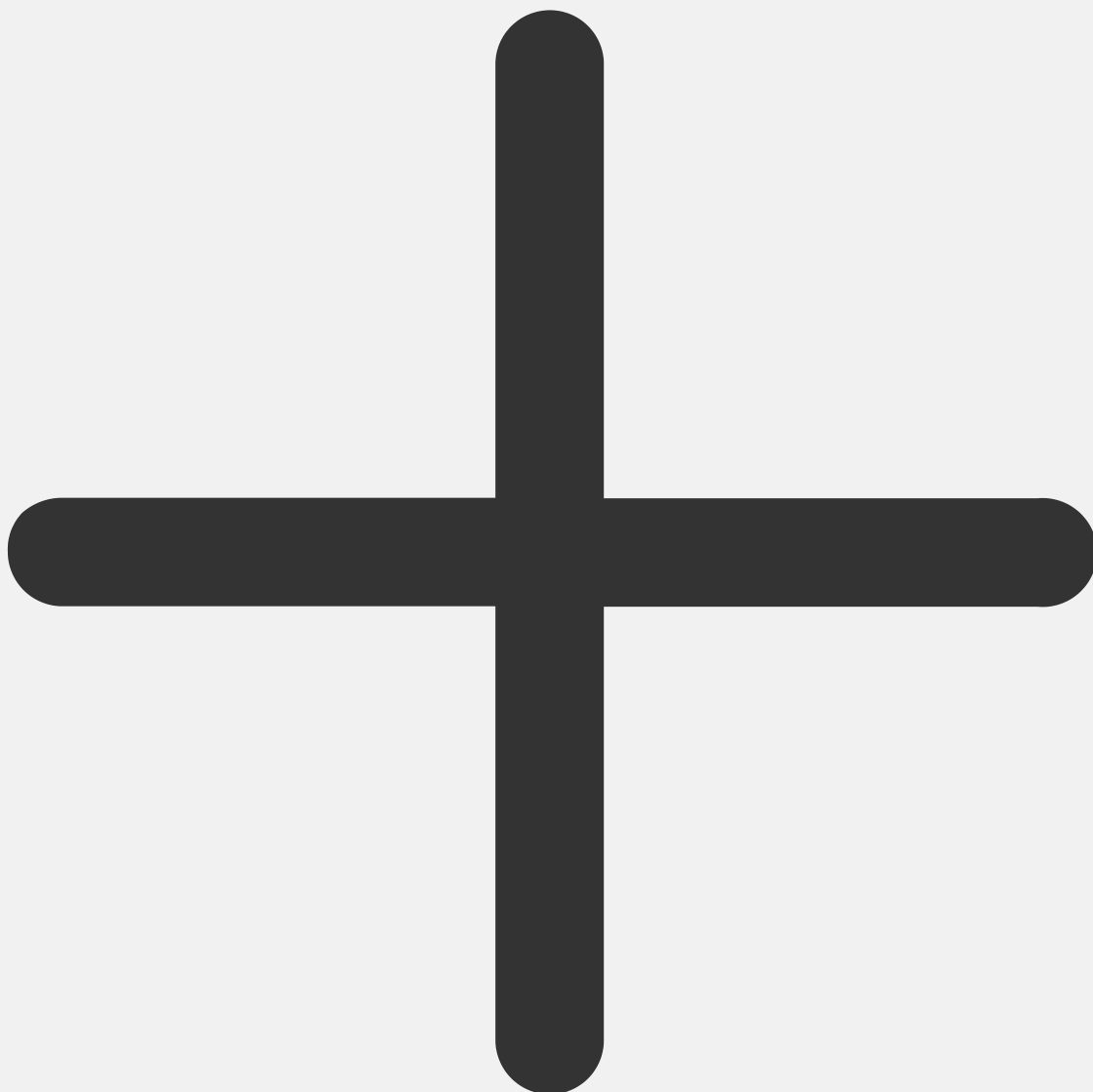




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**For Service Professionals**



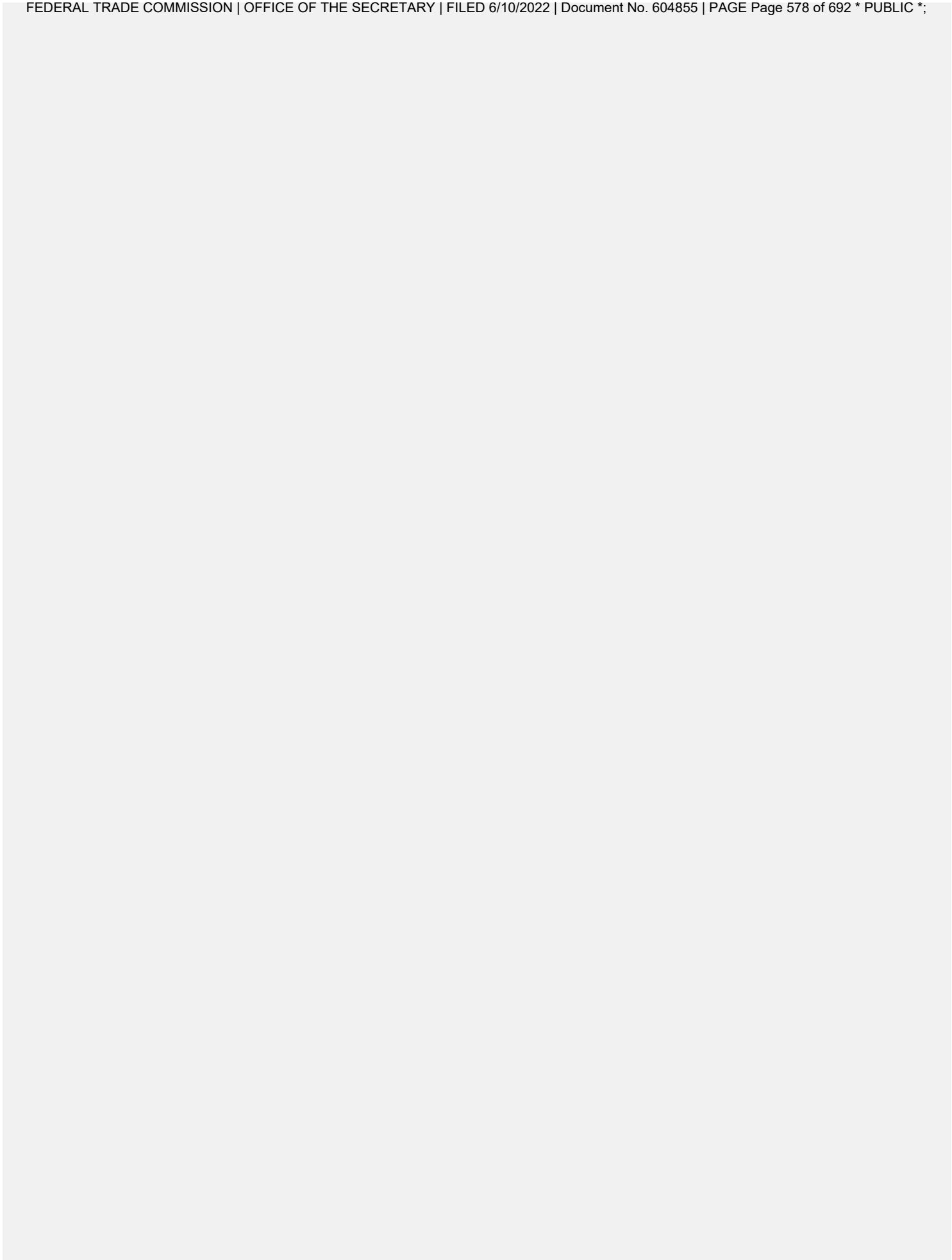


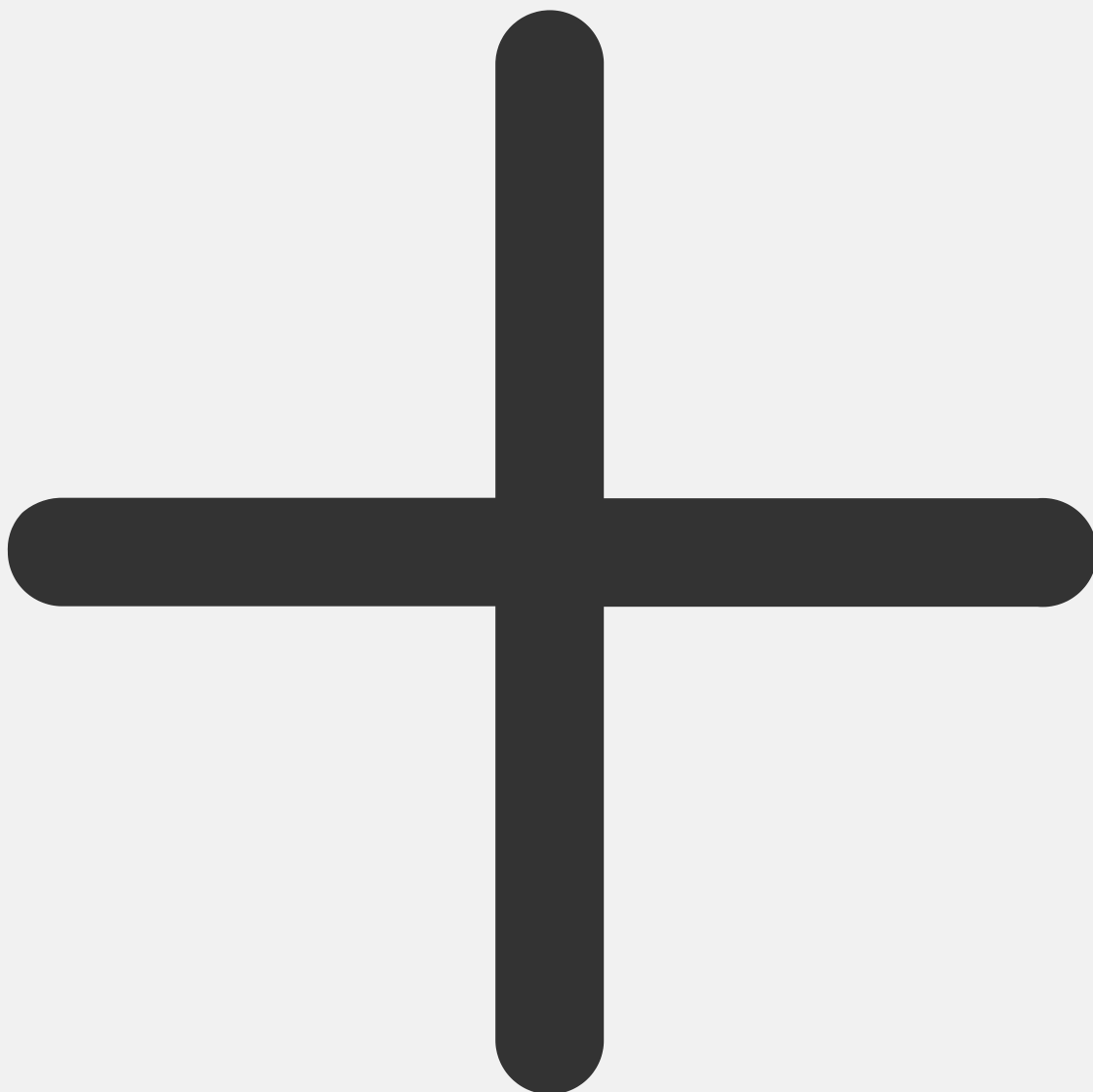




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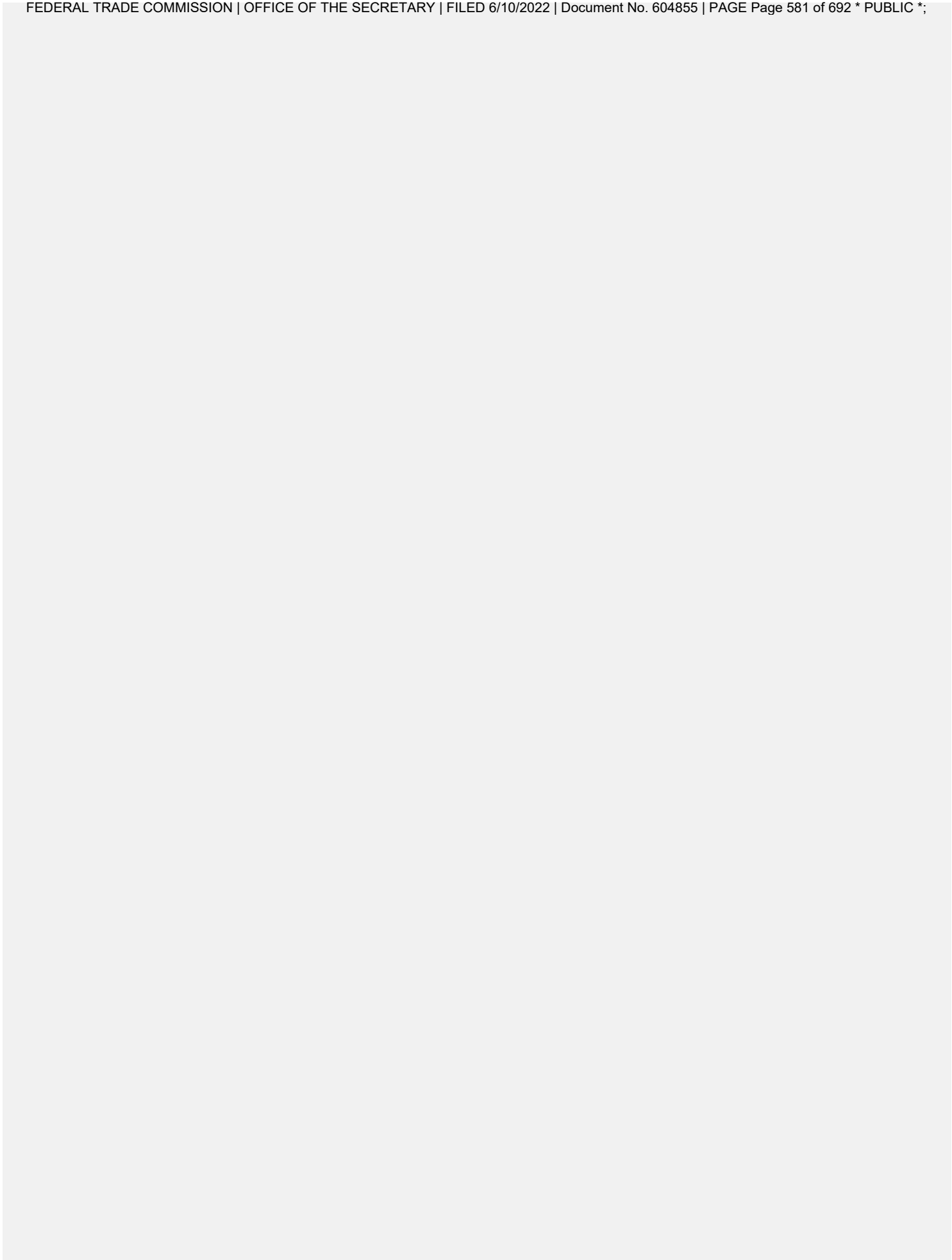


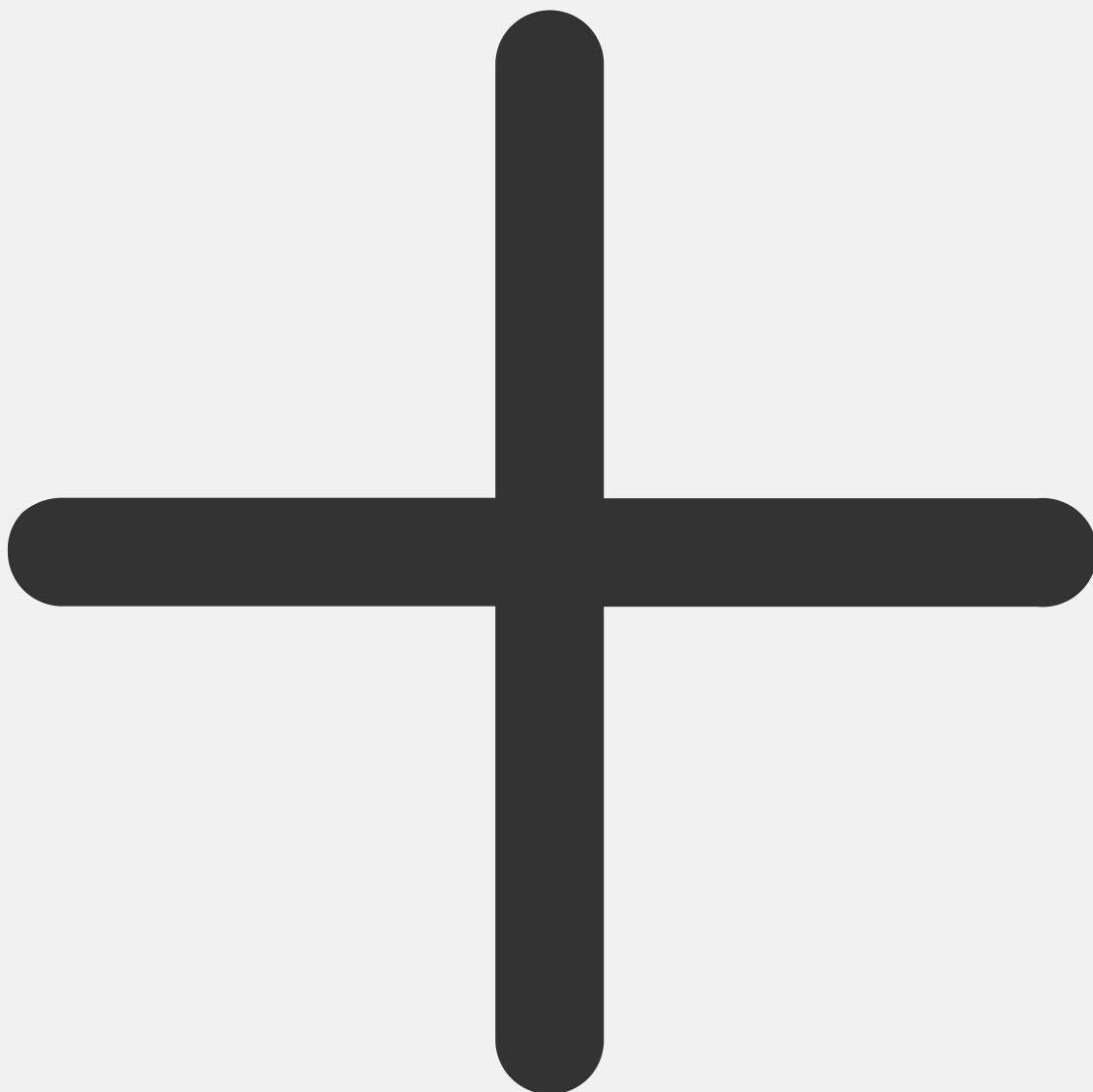




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# Angi Leads Pro Legal Center

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## **SP Key Provisions**

[Background Check Disclosure](#)

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## SP Key Provisions

Version 3.0 (Current) 

Effective June 24, 2021

[Download](#)

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### **Key Provisions of Your Angi Leads Membership**

- **Q. How does Angi Leads work?** A. First we find homeowners looking for help completing home projects and collect information about their project. Our patented ProFinder technology then identifies relevant professionals, taking into account our pros' availability, service type and location preferences. When we have a match, we send the homeowner's information to the matched pro(s) instantly so that he/she/they can contact the consumer to try and win the job ("a Lead"). A Lead is **NOT** a guaranteed job but the opportunity to sell a job to a consumer. You must pay for leads that you do not win, and you will not win all Leads that you pay for. However, successful pros are able to make a profit based on Leads that are won.
- **Q. What are the terms of payment?** A. By completing the contract during enrollment (which is the formal process for accepting Angi Lead's Terms), you are agreeing that once we've completed your background check, Angi Leads can immediately begin charging your method of payment for membership and for lead fees.
- **Q. Do I only pay for the jobs I win?** A. No, you will be charged for each Lead you receive, whether or not you ultimately win the job.
- **Q. What is a spend target?** A. When you join Angi Leads, you set a spend target, which is the amount you would like to pay for leads over the course of each 28-day cycle. This is a merely a

target and not an exact number, and it can be exceeded if you receive Instant Connect leads or you opt into additional lead types that Angi Leads will present you from time to time. Please review your invoices regularly to ensure that you are satisfied with your spend target as set.

- **Q. Can I turn off my Leads?** A. You can turn off your Leads for a period of time (48 hours max on the Pro App and 14 days max on the website), but once this time period is over they will automatically be turned back on and you will be charged for Leads received.
- **Q. How much do leads cost?** A. The price of our Leads varies due to a number of factors, including the type of request and the location of the request. Once enrolled, you can see the current price of Leads for the tasks and areas for which you are profiled by logging into your Angi Leads Pro account.
- **Q. Do you warrant or guarantee your service?** A. No, we do not make any warranties about our services, including whether you will be successful or how many jobs you will win.
- **Q. Can I ever receive credits for Leads?** Yes, you may be entitled to receive credits under certain circumstances. Our full credit guidelines are located [here](#).
- **Q. How do I update my membership choices/obtain support?** A. You may update or cancel your membership by contacting Customer Care at (877) 947-3676, by emailing [customercare@homeadvisor.com](mailto:customercare@homeadvisor.com), or by using live chat.

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- Opportunities
- Reviews
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- Articles & Tools
- Account

## Lead Credit Guidelines

We may, in our sole discretion, issue you a credit ("Credit"), provided, however, that any and all Credits must be requested by you within 30 days of the date that the charge was incurred. Credits that are issued to a Service Professional's account will be issued as store credits, which will be applied toward future charges to your account. Credits will expire, if not used, six months after the date the Credit was issued. Angi Leads Pro also reserves the right to provide Credits for circumstances not listed below.

**The following situations may be eligible for lead credits:**

- The same consumer submits the same request twice, resulting in a duplicate lead
- A lead is submitted with the wrong zip code and the correct zip code does not match a zip code you are profiled for
- A lead that is submitted under the wrong job type and the correct job type is not in your profile
- A competitor testing the system
- All contact information provided by the consumer is wrong or disconnected

**Partial lead credits are considered for:**

- A lead submitted under the wrong job type and the correct job type is in your profile.

**The following situations are accounted for in our lead pricing and therefore not eligible for lead credits:**

- Consumer is not calling you back
- Consumer already found someone to complete the work
- Consumer changed their mind
- Consumer is just "shopping"
- You did not win the job
- You contact us more than 30 days past the date on which the lead was received

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### Angi Leads Pro

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[Feedback](#)

**RX0115**

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**RX0116**

## How does HomeAdvisor work for contractors?

HomeAdvisor powered by Angi connects contractors with homeowners for their home projects — giving you access to targeted leads for your business. Simply choose the services you offer and the locations you serve, and we'll match you with homeowners looking to start projects in those areas. We give you the tools you need to connect with homeowners and win the job.

[Continue Your HomeAdvisor Profile](#)



## You're in control

### Get leads that fit your business

Choose your service types and location preferences, and we'll connect you with homeowners seeking those services in those locations.

### Set your spend target on your terms

Change your spend target any time to help meet your needs. Our flexible online account settings give you control 24/7.

### Win jobs and grow your business

From lead management to online marketing and more — get the tools you need to win potential lifelong customers and grow your business.

## Frequently Asked Questions

### Q. How much control do I have over the leads I receive?

Our online account settings give you control, 24/7. You can define your service and ZIP Code preferences to make sure you receive the types of requests you want. Additionally, you can modify your spend target at any time. You can also specify when you're busy to further narrow your preferences when you have a full schedule, but still want to keep an active project pipeline. [Sign up today to learn more.](#)

### Q. Do you offer any tools to manage my leads?

Yes. We offer a robust, user-friendly system that lets you categorize and organize your leads, keep track of communications, and connect with prospects via phone or email with the touch of a button. Our mobile app also lets you take these tools on the road to help you stay on top of your pipeline.

**Q. How much does HomeAdvisor charge per lead?**

What you'll pay for a lead varies by the type of work you do. Regional costs can also impact price. When you call to join, we'll review the current price of leads for tasks in your area. To learn more about available leads near you, [start your sign up today](#).

**Q. What is a spend target?**

Your spend target is an estimated 28-day period dollar amount that you would like HomeAdvisor to try to meet when sending you leads. The spend target is not a hard cap, but rather an estimated goal of monthly spend. Instant Booking leads and all Job Opportunity leads are charged outside of your spend target. It is possible to exceed your spend target. Please review your invoices regularly to make sure that you're satisfied with your current spend target.

**Q. Do I only pay for the jobs I win?**

No, HomeAdvisor does not provide or guarantee jobs. You will be charged for each lead you receive, whether or not you ultimately win the job, and regardless of whether the customer hires any pro to complete the job.

**Q. How do HomeAdvisor Badges work?**

HomeAdvisor Badges are a great way to set yourself apart from the competition, boost staff morale and effectively market your business. They recognize everything from licensing and certification to high-quality work, and each badge has a different set of qualifications to win. When you win a badge, you can display it on your website and HomeAdvisor profile so homeowners can see your achievement.

**Q. What is a HomeAdvisor Elite Service Pro?**

This is a type of badge. HomeAdvisor pros earn the Elite Service Pro badge with an overall customer service rating of 4.5 or better. These pros have at least five reviews with a five-star rating, among other qualifications.

**Q. How do I join?**

Simply tap [sign up](#).


Already a member? Visit our [Pro Help Center](#) to learn more about your leads and your spend target.

## Ready to Let Us Help You Grow Your Business?

[Continue Your Angi Leads Profile](#)

  **Free Mobile Apps**  
HomeAdvisor App



Get Exclusive Tips & Advice 

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### Homeowner Services

- ProFinder
- Pro Reviews
- Emergency Repairs
- Write a Review

### Homeowner Resources

- My Account
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- Resource Center
- Refer a Pro
- Pros Near Me
- HomeSource Blog

### For Service Professionals

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- Join Our Network
- Grow Your Business
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- Affiliates

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**HomeAdvisor International:**

Canada: HomeStars | France: 123Devis & Travaux | Germany: MyHammer | Italy: Instapro | Netherlands: Werkspot | UK: MyBuilder

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Articles & Tools Menu ▼

# Instructional Videos

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### Instant Booking

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- [Control Your Availability](#)
- [Confirm or Reschedule Every Appointment](#)
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- [Customers Are Expecting You](#)
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### Same-day Service

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### Instant Connect

[How It Works](#)

### Schedule Syncing

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### mHelpDesk

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### Tips from Adam Carolla

- [How to Grow your Business](#)
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- [Customer Reviews](#)
- [Fill Your Calendar with Appointments](#)
- [Save Time & Money with mHelpDesk](#)

## Instant Booking

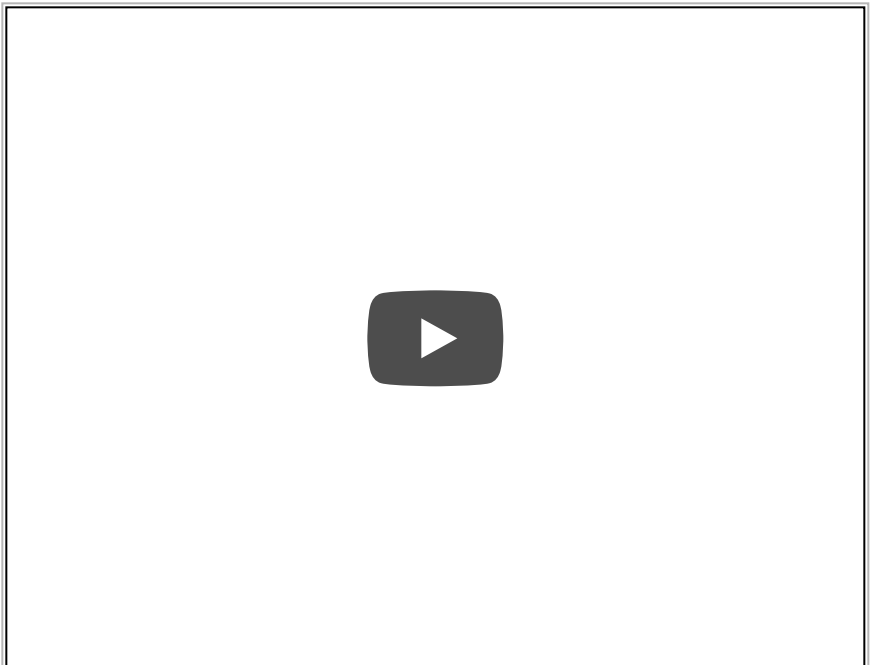
Do you want to win more jobs?

40% of confirmed Instant Booking appointments result in won jobs.

[How It Works](#) [Control Your Availability](#) [Confirm or Reschedule Every Appointment](#) [Customers Are Expecting You](#) [Pricing Matters](#) [Google Calendar Syncing](#)

### How It Works

Customers book time directly with you based on when you're available.



### Control Your Availability

With Instant Booking, you control your availability. Avoid conflicts and never miss the chance to meet with a serious homeowner by keeping your calendar up-to-date. And now, with Google Calendar integration, it's never been easier! Using another calendar? Choose from below:

[Apple/iCloud Calendar](#)

[mHelpDesk Scheduling](#)

[Angi Leads Calendar](#)

## Instant Booking: Control Availability



### Confirm or Reschedule Every Appointment

It's important to confirm your appointments right away. If you need to reschedule, call promptly to find a new time that works.

## Instant Booking: Rescheduling Appointments



### Customers Are Expecting You

In addition to confirming all appointments, use your best practices. Always arrive on time, and block off time if you're not available.



## Customers are Expecting You



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### Pricing Matters

Did you know pricing guidance drives more response? These rates help educate the homeowner on what to expect and are not final.

## Pricing Matters



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### Google Calendar Syncing

Keep your calendar up-to-date with your Google Calendar. It's never been easier! Using another calendar? Choose from below:

[Apple/iCloud Calendar](#)

[Office 365 Calendar](#)

[Outlook.com Calendar](#)

[mHelpDesk Scheduling](#)

[Angi Leads Calendar](#)

## Google Calendar Integration Instructional Vide



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# HomeAdvisor Affiliate Program



## Sign Up

HomeAdvisor's industry-leading partner program offers aggressive payouts for qualified leads or calls.

**Please sign-up through our partner affiliate network:**



For other partnership, business development, or marketing opportunities, please use this form to [contact us](#).

**The comprehensive solution to finding a home improvement pro**



### Screening

The industry's most comprehensive screening process for home improvement professionals.



### Matching

Patented ProFinder technology connects you to qualified and available pros.



### Ratings

Browse our ProReviews of 1.9 million verified ratings and reviews from actual customers.



### Support

LiveConcierge gives access to 24/7 live customer advocacy, online resources and tools.

Download Homeadvisor's Free App



NEED HELP? CALL US

1 (877) 526-0264

Top Projects By City



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**CERTIFICATE OF SERVICE**

I hereby certify that on June 10, 2022, I filed the foregoing document electronically using the FTC's E-Filing system (AEFS), which will send notification of such filing to:

April Tabor  
Office of the Secretary  
Federal Trade Commission  
Constitution Center  
400 Seventh Street, SW, Suite 5610  
Washington, DC 20024  
ElectronicFilings@ftc.gov

Sherri Harris  
Office of the Secretary  
Federal Trade Commission  
Constitution Center  
400 Seventh Street, SW, Suite 5610  
Washington, DC 20024  
sharris@ftc.gov

The Honorable D. Michael Chappell  
Administrative Law Judge  
Federal Trade Commission  
600 Pennsylvania Avenue, NW, Room H-110  
Washington, DC 20580  
OALJ@ftc.gov

I further certify that on June 10, 2022, I caused a copy of the foregoing document to be sent via a secure file-sharing software, which emailed a link by which the document may be downloaded to:

April Tabor  
Office of the Secretary  
Federal Trade Commission  
Constitution Center  
400 Seventh Street, SW, Suite 5610  
Washington, DC 20024  
ElectronicFilings@ftc.gov

Sherri Harris  
Office of the Secretary  
Federal Trade Commission  
Constitution Center  
400 Seventh Street, SW, Suite 5610  
Washington, DC 20024  
sharris@ftc.gov

The Honorable D. Michael Chappell  
Administrative Law Judge  
Federal Trade Commission  
600 Pennsylvania Avenue, NW, Room H-110  
Washington, DC 20580  
OALJ@ftc.gov

Sophia H. Calderón  
Colin D. A. MacDonald  
Breena M. Roos  
M. Elizabeth Howe  
Federal Trade Commission, Northwest Region  
915 Second Ave., Suite 2896  
Seattle, WA 98174  
scalderon@ftc.gov  
cmacdonald@ftc.gov  
broos@ftc.gov  
mhowe@ftc.gov

*Counsel Supporting the Complaint*

I further certify that the electronic copy sent to the Secretary of the Commission is a true and correct copy of the paper original and that I possess a paper original of the signed document that is available for review by the parties and the Commission.

Dated: June 10, 2022

By: /s/ William A. Burck  
William A. Burck  
*Counsel for Respondent HomeAdvisor, Inc.*