



for determining the amount by which Homestore common stock was allegedly artificially inflated (if at all) during the Class Period; (2) the amount by which Homestore common stock was allegedly artificially inflated (if at all) during the Class Period; (3) the effect of various market forces influencing the trading price of Homestore common stock at various times during the Class Period; (4) the extent to which external factors, such as general market and industry conditions, influenced the trading price of Homestore common stock at various times during the Class Period; (5) the extent to which the various matters that Lead Plaintiff alleged were materially false or misleading influenced (if at all) the trading price of Homestore common stock at various times during the Class Period; (6) the extent to which the various allegedly adverse material facts that Lead Plaintiff alleged were omitted influenced (if at all) the trading price of Homestore common stock at various times during the Class Period; and (7) whether the statements made or facts allegedly omitted were material, false, misleading or otherwise actionable under the securities laws.

Lead Plaintiff believes that the proposed settlement is a good recovery and is in the best interests of the Class. Because of the risks associated with continuing to litigate and proceeding to trial, there was a danger that Plaintiffs would not have prevailed on any of their claims, in which case the Class would receive nothing. The amount of damages recoverable by the Class was and is challenged by PwC. Recoverable damages in this case are limited to losses caused by conduct actionable under applicable law and, had the litigation gone to trial, PwC would have asserted that all or most of the losses of Class Members were caused by non-actionable market, industry or general economic factors. PwC would have also asserted that throughout the Class Period the uncertainties and risks associated with the purchase of Homestore common stock were fully and adequately disclosed.

If the settlement is approved by the Court, Lead Plaintiff's Counsel **will** apply to the Court for attorneys' fees, not to exceed 10.5% of the Settlement Fund, as described in the Stipulation. In addition, Lead Plaintiff's Counsel will seek **full reimbursement** of out-of-pocket expenses incurred to date in prosecuting this litigation and will seek distribution from the Settlement Fund costs associated with providing notice of this settlement, administering claims associated with this settlement and other related expenses. The Court will consider the attorneys' fees and costs petition separate from its consideration of the fairness, reasonableness and adequacy of the Settlement set forth in the Stipulation. Therefore, any order relating to attorneys' fees and costs will not delay the settlement approval process.

For further information regarding this settlement, you may contact Bruce L. Simon, Cotchett, Pitre, Simon & McCarthy, 840 Malcolm Rd., Suite 200, Burlingame, CA 94010, Telephone: (650) 697-6000.

## **I. NOTICE OF HEARING ON PROPOSED SETTLEMENT**

A final approval hearing will be held on **January 9, 2006**, at 9:00 a.m. before the Honorable Ronald S. W. Lew, United States District Judge, in Courtroom 21 of the United States Courthouse, Central District of California, 312 N. Spring Street, Los Angeles, CA 90012 (the "Final Approval Hearing"). The purpose of the Final Approval Hearing will be to determine: (1) whether the settlement consisting of \$17,500,000.00 in cash should be approved as fair, reasonable, and adequate to the Settling Parties; (2) whether the proposed plan to distribute the settlement proceeds (the "Plan of Allocation") is fair, reasonable, and adequate; (3) whether the application by Lead Plaintiff's Counsel for attorneys' fees, not to exceed 10.5% of the Settlement Fund and **full reimbursement** of its out-of-pocket expenses should be approved; and (4) whether the Litigation should be dismissed with prejudice as to PwC. The Court may adjourn or continue the Final Approval Hearing without further notice to the Class.

## **II. DEFINITIONS USED IN THIS NOTICE**

1. "Class" means the Class certified on September 29, 2003 defined as:

All Persons (excluding Defendants, any members of their immediate families, any person, firm, trust, corporation, present or former officer, director, or other individual or entity in which any Defendant has a controlling interest or which is affiliated with any of the Defendants, and any legal representatives, agents, affiliates, heirs, successors-in-interest or assigns of any excluded party and any Persons or entities who have pled guilty to securities violations with respect to Homestore securities), who purchased Homestore.com, Inc. stock from January 1, 2000 through December 21, 2001. Pursuant to Judge Lew's November 17, 2004 order, the Dismissed Defendants are a subclass.

2. "Defendants" means PwC, Stuart Wolff and Peter Tafeen.

3. "Dismissed Defendants" means: AOL Time Warner, Eric Keller, David Colburn, Cendant Corporation, Richard Smith, L90, Akonix, CityRealty, Classmates Online, CornerHardware, GlobeExplorer, Internet Pictures, PromiseMark, RevBox, Dorado Corporation, Smart Home, and WizShop. Dismissed Defendants are a subclass pursuant to Judge Lew's November 17, 2004 Order.

4. "Settled Claims" means any and all claims rights, demands, obligations, controversies, debts, damages, losses, causes of action and liabilities of any kind or nature whatsoever in law or equity, including both known and unknown claims, suspected or unsuspected, held at any point from the beginning of time to the date of the execution of the Stipulation, arising out of, connected with, or in any way relating to, the acquisition of Homestore common stock or which have been or could have been asserted by the Lead Plaintiff or Class Members in the Action against any of the Released PwC Parties.

5. "Released PwC Parties" means PricewaterhouseCoopers LLP ("PwC"), its present or former assigns, affiliates, administrators, executors, successors, subsidiaries, attorneys, accountants and auditors, experts, parents, predecessors, or related companies, partnerships or limited partnerships, and any of its or their present or former officers and directors, shareholders, partners, limited partners, principals, employees, agents, or representatives.
6. "Settlement Fund" means Seventeen Million Five Hundred Thousand Dollars (\$17,500,000.00) in cash to be deposited by PwC in the Settlement Account pursuant to the Stipulation, plus all interest earned thereon.
7. "Unknown Claims" means any Settled Claims that Lead Plaintiff or any Class Member does not know or suspect to exist in his, her or its favor at the time of the release of the Released PwC Parties, which, if known by him, her or it, might have affected his, her or its settlement with and release of the Released PwC Parties, or might have affected his, her or its decision not to object to this settlement. With respect to any and all Settled Claims, upon the Effective Date, Lead Plaintiffs will expressly and each of the Class Members will be deemed to have, and by operation of the Judgment will have, expressly waived the provisions, rights and benefits of California Civil Code § 1542, which provides:

**A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.**

Lead Plaintiff will expressly and each of the Class Members will be deemed to have, and by operation of the Judgment, will have expressly waived any and all provisions, rights and benefits conferred by any law of any state or territory of the United States, or principle of common law, which is similar, comparable, or equivalent to California Civil Code § 1542. Lead Plaintiff and Class Members may hereafter discover facts in addition to or different from those which he, she or it now knows or believes to be true with respect to the subject matter of the Settled Claims, but Lead Plaintiff will expressly and each Class Member, upon the Effective Date, will be deemed to have, and by operation of the Judgment, will have fully, finally, and forever settled and released any and all Settled Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore have existed, upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct that is negligent, intentional, with or without malice, or a breach of any duty, law or rule, without regard to the subsequent discovery or existence of such different or additional facts.

### **III. THE CLASS DEFINITION**

The Class includes: All Persons (excluding Defendants, any members of their immediate families, any person, firm, trust, corporation, present or former officer, director, or other individual or entity in which any Defendant has a controlling interest or which is affiliated with any of the Defendants, and any legal representatives, agents, affiliates, heirs, successors-in-interest or assigns of any excluded party and any Persons or entities who have pled guilty to securities violations with respect to Homestore securities), who purchased Homestore.com, Inc. stock from January 1, 2000 through December 21, 2001. Pursuant to Judge Lew's November 17, 2004 order, the Dismissed Defendants are a subclass.

### **IV. THE LITIGATION**

This class action is a consolidation of several suits brought before the United States District Court for the Central District beginning December 27, 2001 on behalf of purchasers or acquirers of Homestore common stock beginning January 1, 2000 and ending December 21, 2001. The consolidated actions are referred to herein collectively as the "Litigation."

- (i) *Simpson v. Homestore, et al.*, Case No. 01-11115, Filed on December 27, 2001;
- (ii) *Hirsch v. Homestore, et al.*, Case No. 01-11190, Filed on December 28, 2001;
- (iii) *Schmalz v. Homestore, et al.*, Case No. 01-11194, Filed on December 28, 2001;
- (iv) *Nesco v. Homestore, et al.*, Case No. 02-00078, Filed on January 4, 2002;
- (v) *Katz v. Homestore, et al.*, Case No. 02-00080, Filed on January 4, 2002;
- (vi) *Britton v. Homestore, et al.*, Case No. 02-00104, Filed on January 4, 2002;
- (vii) *Idoeta v. Homestore, et al.*, Case No. 02-00116, Filed on January 4, 2002;
- (viii) *Abbamondi, Betancourt v. Homestore, et al.*, Case No. 02-00136, Filed on January 7, 2002;
- (ix) *Keeling, Greenblat v. Homestore, et al.*, Case No. 02-00137, Filed on January 7, 2002;
- (x) *Rosa v. Homestore, et al.*, Case No. 02-00216, Filed on January 8, 2002;
- (xi) *Fink v. Homestore, et al.*, Case No. 02-00221, Filed on January 9, 2002;
- (xii) *Seegar v. Homestore, et al.*, Case No. 02-00544, Filed on January 18, 2002;
- (xiii) *Bienstock v. Homestore, et al.*, Case No. 02-00917, Filed on January 30, 2002;
- (xiv) *Krim v. Homestore, et al.*, Case No. 02-01052, Filed on February 4, 2002;
- (xv) *Applen v. Homestore, et al.*, Case No. 02-01095, Filed on February 5, 2002;
- (xvi) *Berger v. Homestore, et al.*, Case No. 02-01100, Filed on February 5, 2002;
- (xvii) *Rietzfeld v. Homestore, et al.*, Case No. 02-01277, Filed on February 11, 2002;
- (xviii) *Goldstein v. Homestore, et al.*, Case No. 02-01337, Filed on February 13, 2002;
- (xix) *Baratz v. Homestore, et al.*, Case No. 02-01341, Filed on February 13, 2002.

By order dated March 25, 2002, the Court appointed the California State Teachers Retirement System (“CalSTRS”) Lead Plaintiff. The Court approved Lead Plaintiff’s approval of the law firm of Cotchett, Pitre, Simon & McCarthy as Lead Counsel on May 30, 2002.

The operative complaint in the Litigation is the First Amended Consolidated Complaint for Violations of Federal Securities Laws (the “FACC”), filed on November 15, 2002. The FACC alleges violations of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 and Rule 10b-5 promulgated thereunder on behalf of a class of purchasers of Homestore common stock during the period January 1, 2000 through December 21, 2001. The only remaining claims against PwC are claims under Section 10(b).

#### **V. CLAIMS OF LEAD PLAINTIFF AND BENEFITS OF SETTLEMENT**

Lead Plaintiff believes that the claims asserted against PwC in the Litigation have merit and that the evidence developed to date supports the claims. However, counsel for Lead Plaintiff recognizes and acknowledges the expense and length of continuous proceedings necessary to prosecute the Litigation against PwC through trial and through appeals. Counsel for Lead Plaintiff also has taken into account the uncertain outcome and the risk of litigation, especially in complex actions such as the Litigation, as well as the difficulties and delays inherent in such litigation. Counsel for Lead Plaintiff also is mindful of the inherent problems of proof under and possible defenses to the securities law violations asserted in the Litigation. Counsel for Lead Plaintiff believes that the settlement set forth in the Stipulation confers substantial benefits upon the Class. Based on its evaluation, counsel for Lead Plaintiff has determined that the settlement set forth in the Stipulation is in the best interests of Lead Plaintiff and the Class.

#### **VI. PwC’S STATEMENTS AND DENIALS OF WRONGDOING AND LIABILITY**

PwC has denied and continues to deny each and all of the claims and contentions alleged by Lead Plaintiff in this Litigation. PwC expressly denied and continues to deny all charges of wrongdoing or liability against it arising out of any of the conduct, statements, acts or omissions alleged, or that could have been alleged, in the Litigation. PwC also has denied and continues to deny, among other things, allegations that Lead Plaintiff or the Class have suffered damage, that the price of Homestore common stock was artificially inflated by reasons of alleged misrepresentations, non-disclosures or otherwise, or that Lead Plaintiff or the Class were harmed by the conduct alleged in the Complaint.

PwC contends that it conducted its audit and interim reviews in full compliance with Generally Accepted Auditing Standards (“GAAS”). PwC further contends that Homestore, its executives and business partners concealed their fraud from PwC. Were a jury to find in favor of PwC on that issue, it would significantly reduce the amount of damages the jury could award.

Nonetheless, PwC has concluded that further conduct of the Litigation would be protracted and expensive, and that it is desirable that the Litigation be fully and finally settled in the manner and upon the terms and conditions set forth in the Stipulation. PwC also has taken into account the uncertainty and risks inherent in any litigation, especially in complex cases like the Litigation. PwC has, therefore, determined that it is desirable and beneficial to it that the Litigation be settled in the manner and upon the terms and conditions set forth in the Stipulation.

#### **VII. TERMS OF THE PROPOSED SETTLEMENT**

PwC has agreed to pay into the Settlement Fund a total of \$17,500,000.00 in cash. That sum will earn interest for the benefit of the Class.

A portion of the settlement proceeds will be used for certain administrative expenses, including costs of printing and mailing this Notice, the cost of publishing a newspaper notice, payment of any taxes assessed against the Settlement Fund and costs associated with the processing of claims submitted. In addition, as explained below, a portion of the Settlement Fund may be awarded by the Court to counsel for Lead Plaintiff to pay their fees, not to exceed 10.5% of the Settlement Fund and for **full reimbursement** of out-of-pocket expenses. The balance of the Settlement Fund (the “Net Settlement Fund”) will be distributed to Class Members who submit valid and timely Proof of Claims and Releases according to the Plan of Allocation described below.

#### **VIII. THE RIGHTS OF CLASS MEMBERS**

If you are a Class Member, you may receive the benefit of the settlement if you file a Proof of Claim and Release, postmarked on or before **December 12, 2005**. If the Court approves the settlement, you will be bound by its terms as described in section VII, above.

If you are a Class Member, you have the following options:

1. You may file a Proof of Claim as described below. If you choose this option, you will remain a Class Member, you will share in the proceeds of the proposed settlement if your claim is timely and valid and if the proposed settlement is finally approved by the Court, and you will be bound by the Judgment and Release described below.

2. **IF YOU PREVIOUSLY SUBMITTED A TIMELY AND VALID PROOF OF CLAIM WITH REGARD TO THE SETTLEMENT WITH HOMESTORE AND/OR WITH THE INDIVIDUAL DEFENDANTS, SHEW GIESECKE, DESIMONE, KALINA, LOSH AND ROSENBLATT, AND YOU WISH TO BE INCLUDED IN THIS SETTLEMENT WITH PWC, AND BE BOUND BY THE JUDGMENT AND RELEASE, YOU ARE NOT REQUIRED TO COMPLETE ANOTHER CLAIM FORM OR RETURN ANOTHER RELEASE. THE INFORMATION CONTAINED IN THAT PREVIOUSLY SUBMITTED, TIMELY AND VALID PROOF OF CLAIM WILL BE CONSIDERED TIMELY AND VALID WITH REGARD TO THIS ADDITIONAL SETTLEMENT, AS WELL.**
3. **If you previously submitted a timely and valid Request for Exclusion with regard to the settlement with Homestore and/or with the individual defendants, Shew, Giesecke, DeSimone, Kalina, Losh and Rosenblatt, you are not required to complete another Request for Exclusion. The information contained in that previously submitted, timely and valid Request for Exclusion will be considered timely and valid with regard to this additional settlement, as well.**
4. You may object to the settlement and/or the application of Lead Plaintiffs' counsel for attorneys' fees and reimbursement of expenses in the manner set forth below. The filing of a Proof of Claim by a Class Member does not preclude a Class Member from objecting to the settlement. However, if your objection is rejected, you will be bound by the settlement and the Judgment just as if you had not objected.
5. You may do nothing at all. If you choose this option, and have not previously submitted a valid and timely claim, you will not share in the proceeds of the settlement, but you will be bound by any judgment entered by the Court, and you will be deemed to have, and by operation of the Judgment, will have fully released all of the Settled Claims against the Released PwC Parties.

If you are a Class Member, you may, but you are not required to, enter an appearance through counsel of your own choosing at your own expense. If you do not do so, you will be represented by Lead Plaintiff's Counsel: Cotchett, Pitre, Simon & McCarthy, 840 Malcolm Rd., Suite 200, Burlingame, CA 94010.

#### **IX PLAN OF ALLOCATION**

The Net Settlement Fund will be distributed to Class Members who submit valid, timely Proof of Claims and Releases ("Authorized Claimants") under the Plan of Allocation described below. The Plan of Allocation provides that you will be eligible to participate in the distribution of the Settlement Fund only if you have a net loss on all transactions in Homestore common stock during the Class Period.

For purposes of determining the amount an Authorized Claimant may recover under the Plan of Allocation, Lead Plaintiff's Counsel have consulted with their damage consultants and the Plan of Allocation reflects an assessment of the damages that they believe could have been recovered had Plaintiffs prevailed at trial.

To the extent there are sufficient funds in the Net Settlement Fund, each Authorized Claimant will receive an amount equal to the Authorized Claimant's claim, as defined below. If, however, the amount in the Net Settlement Fund is not sufficient to permit payment of the total claim of each Authorized Claimant, then each Authorized Claimant shall be paid the percentage of the Net Settlement Fund that each Authorized Claimant's claim bears to the total of the claims of all Authorized Claimants. Payment in this manner shall be deemed conclusive against all Authorized Claimants.

A claim will be calculated as follows:

1. For shares of Homestore common stock that were purchased or acquired from January 1, 2000 through December 21, 2001;
  - a. Price inflation per share of common stock during the Class Period would be based on market and industry-adjusted percentage declines in the price of Homestore common stock on November 2, 2001 and January 2, 2002. The inflation per share would be further adjusted on a pro-rated basis according to the amounts Homestore's financial statement were restated. Changes in price inflation occurred on the following dates: October 20, 2000, January 26, 2001, April 26, 2001, July 26, 2001 and October 3, 2001. (These dates correspond to the days Homestore's earnings reports or changes in guidance were originally released, or in the case of aftermarket announcements, the next trading day.)
  - b. Inflation as a percentage of share price during the Class Period is calculated as follows:
 

• From January 2, 2000 through October 19, 2000:	3.6%
• From October 20, 2000 through January 25, 2001:	7.1%
• From January 26, 2001 through April 25, 2001:	17.8%
• From April 26, 2001 through July 25, 2001:	35.7%
• From July 26, 2001 through October 2, 2001:	57.1%
• From October 3, 2001 through November 1, 2001:	71.3%
• From November 2, 2001 through December 21, 2001:	36.7%

c. Net dollar proceeds per share would be allocated as follows:

- (i) Multiply the above percentage inflation applicable to the share purchase date by the share purchase price paid;
- (ii) If the share was retained (not sold) after December 21, 2001, the net dollar proceeds are the amount calculated per (i) above;
- (iii) If the share was sold on or before December 21, 2001, multiply the above percentage inflation applicable to the share sale date by the sale price, and subtract that amount from the dollar value calculated per (i) above. The resulting amount is the net dollar proceeds;
- (iv) If the total amount calculated for all of one Class Member's transactions is negative, the net dollar proceeds equal zero.

The Court has reserved jurisdiction to allow, disallow or adjust the claim of any Class Member on equitable grounds. Adjustments to the amount recovered by a claimant could occur based on the amount of claims made.

Payment pursuant to the Plan of Allocation set forth above shall be conclusive against all Authorized Claimants. No Authorized Claimant shall have any claim against Lead Plaintiff's Counsel or any claims administrator or any Released PwC Parties or other agent designated by Lead Plaintiff's Counsel or any Released PwC Parties or their respective counsel based on distributions made substantially in accordance with the Stipulation and the settlement contained therein, the Plan of Allocation, or further orders of the Court. All Class Members who fail to complete and file a valid and timely Proof of Claim and/or Release shall be barred from participating in distributions from the Settlement Fund (unless otherwise ordered by the Court), but otherwise shall be bound by all of the terms of the Stipulation, including the terms of any judgment entered and the releases given.

#### **X. PARTICIPATION IN THE SETTLEMENT**

If you fall within the definition of the Class, you will be bound by any judgment entered with respect to the settlement of claims against PwC in the litigation whether or not you file a Proof of Claim or additional Release. If you choose, you may enter an appearance individually or through your own counsel at your own expense.

**TO PARTICIPATE IN THE DISTRIBUTION OF THE NET SETTLEMENT FUND, YOU MUST TIMELY COMPLETE AND RETURN THE PROOF OF CLAIM AND RELEASE FORM THAT ACCOMPANIES THIS NOTICE.**

**IF YOU PREVIOUSLY SUBMITTED A TIMELY AND VALID PROOF OF CLAIM WITH REGARD TO THE SETTLEMENT WITH HOMESTORE AND/OR WITH THE INDIVIDUAL DEFENDANTS, SHEW GIESECKE, DESIMONE, KALINA, LOSH AND ROSENBLATT, AND YOU WISH TO BE INCLUDED IN THIS SETTLEMENT WITH PWC, AND BE BOUND BY THE JUDGMENT AND RELEASE, YOU ARE NOT REQUIRED TO COMPLETE ANOTHER CLAIM FORM OR RETURN ANOTHER RELEASE. THE INFORMATION CONTAINED IN THAT PREVIOUSLY SUBMITTED, TIMELY AND VALID PROOF OF CLAIM WILL BE CONSIDERED TIMELY AND VALID WITH REGARD TO THIS ADDITIONAL SETTLEMENT, AS WELL.**

The Proof of Claim and Release must be postmarked on or before **December 12, 2005**, and delivered to the Claims Administrator at the address below. Unless the Court orders otherwise, if you do not timely submit a valid Proof of Claim and Release, you will be barred from receiving any payments from the Net Settlement Fund, but will in all other respects be bound by the provisions of the Stipulation and the Judgment.

#### **XI. DISMISSAL AND RELEASES**

If the Court approves the proposed settlement with PwC, the Court will enter a Final Judgment and Order of Dismissal with Prejudice with regard to PwC ("Judgment"). The Judgment will dismiss the Settled Claims with prejudice as to the Released PwC Parties. The Judgment will provide that all Class Members will be deemed to have released and forever discharged all Settled Claims (to the extent Class Members have such claims) against all Released PwC Parties.

#### **XII. APPLICATION FOR FEES AND EXPENSES**

If the Court approves the PwC settlement, Lead Plaintiff's Counsel **will** apply to the Court for an order allowing payment of attorneys' fees, not to exceed 10.5% of the Settlement Fund. Lead Plaintiff's Counsel will also seek **full reimbursement** of out-of-pocket expenses incurred during the prosecution of this litigation. The fee and cost approval process will be separate from the settlement approval process.

In addition, as described in the Stipulation, Lead Plaintiff's Counsel will seek a distribution from the Settlement Fund, not to exceed \$350,000, to pay the cost of providing notice related to this settlement, claims administration associated with the PwC settlement and other related expenses. Class Members are not personally liable for those expenses.

#### **XIII. CONDITIONS FOR SETTLEMENT**

The settlement will go forward only if certain events described in the Stipulation occur. Those events include, among others: (1) entry of the Judgment by the Court, as provided for in the Stipulation; and (2) expiration of the time to appeal from or alter or amend the Judgment. If, for any reason, any one of the conditions described in the Stipulation is not met, the Stipulation might be terminated and, if terminated, will become null and void, and the parties to the Stipulation will be restored to their respective positions as of June 27, 2005.

**XIV THE RIGHT TO BE HEARD AT THE HEARING**

Any Class Member who objects to any aspect of the settlement, the Plan of Allocation, or the application for reimbursement of costs and expenses, may appear and be heard at the Final Approval Hearing. Any such Person must submit a written notice of objection, received on or before **November 17, 2005**, to each of the following:

Clerk of the Court  
UNITED STATES DISTRICT COURT  
Central District of California  
312 Spring St., Rm G-8  
Los Angeles, CA 90012

Lead Counsel for Plaintiffs  
**COTCHETT, PITRE, SIMON & MCCARTHY**  
Bruce L. Simon  
840 Malcolm Rd., Suite 200  
Burlingame, CA 94010

Counsel for PwC  
**GIBSON, DUNN & CRUTCHER**  
Dean J. Kitchens  
333 South Grand Avenue  
Los Angeles, CA 90071-3197

The notice of objection must demonstrate the objecting Person's membership in the Class, including the number of Homestore shares purchased, acquired and sold during the Class Period, and contain a statement of reasons for objection. Only Class Members who have submitted written notices in this manner will be entitled to be heard at the Final Approval Hearing, unless the Court orders otherwise.

**XV SPECIAL NOTICE TO BANKS, BROKERS AND OTHER NOMINEES**

If you were a nominee for any beneficial owner of Homestore common stock (securities) during the Class Period, then, within ten (10) days after you receive this Notice, you must either: (a) provide the Claims Administrator with the names and addresses of such beneficial owners, **preferably on computer-generated mailing labels or, if there are more than 2,000, on a 3.5" diskette, CD-ROM or ZIP/JAZ media**, or, in the alternative, (b) send a copy of the Notice to all beneficial owners by first-class mail and provide the Claims Administrator with written confirmation of having done so. Additional copies of the Notice maybe requested in writing from the Claims Administrator. All correspondence should be addressed as follows:

Claims Administrator  
*In re Homestore.com, Inc. Securities Litigation*  
c/o Rust Consulting, Inc.  
PO Box 1670  
Faribault, MN 55021-1670

You are entitled to reimbursement of any reasonable expenses actually incurred in connection with the foregoing upon submission of a request and the appropriate supporting documentation to the Claims Administrator.

**XVI. EXAMINATION OF PAPERS**

This Notice contains only a summary of the nature and history of the Litigation. For more detailed information, reference is made to the pleadings and orders of the Court. Pleadings, papers filed in this action and orders of the Court are available for inspection during normal business hours at the Clerk's Office of the United States District Court for the Central District of California, Los Angeles Division, 312 N. Spring Street, Los Angeles, CA 90012.

If you have any questions about the settlement of the claims against PwC in the Litigation, you may contact Lead Plaintiff's Counsel by writing:

Bruce L. Simon  
**COTCHETT, PITRE, SIMON & McCARTHY**  
San Francisco Airport Office Center  
840 Malcolm Road, Suite 200  
Burlingame, California 94010  
Telephone: (650) 697-6000 Facsimile: (650) 697-0577

PLEASE DO NOT TELEPHONE OR MAIL ANY INQUIRIES TO THE COURT

BY ORDER OF THE COURT:

Dated: August 16, 2005

\_\_\_\_\_  
RONALD S.W. LEW  
United States District Court  
for the Central District of California