

Master FAQ

General

1. What was announced?

Douglas Wilson Companies announced that, on December 22, 2023, Zulily and its parent company entered into an Assignment for the Benefit of Creditors (ABC) and transferred all its assets to a third-party fiduciary, or "Assignee," who will liquidate these assets and conduct an orderly wind-down of the business. Douglas Wilson Companies will coordinate the liquidation effort on behalf of the Assignee, Zulily ABC, LLC and work to maximize value for creditors.

2. How did Zulily come to this decision and why?

Despite the Company's recent efforts to position the business for future growth, Zulily made the difficult decision to conduct an orderly wind-down of the business via an Assignment for the Benefit of Creditors to maximize the value of the business for the benefit of its creditors.

3. What is an Assignment for the Benefit of Creditors (ABC)? How will this impact Zulily's operations?

An Assignment for the Benefit of Creditors ("ABC") is a state statutory procedure by which an economically troubled entity ("Assignor" (Zulily LLC)) transfers legal and equitable title, as well as custody and control, of its assets and property to an independent third party ("Assignee", here, Zulily ABC, LLC) in trust, who is required to apply the proceeds of sale of the property to the assignor's creditors in accord with priorities established by law.

ABCs are a well-established statutory tool and alternative to formal bankruptcy proceedings.

4. Does this mean Zulily is in Chapter 11 or Chapter 7?

No. Through the Assignment of Benefit to Creditors Douglas Wilson will complete the wind-down and liquidation of Zulily, and distribute the proceeds from the sale of its assets, amongst the Company's creditors.

5. What does an Assignee do?

The Assignee is an unrelated professional liquidator. The Assignee gathers the Assignor's assets and sells the Assignor's rights, title and interest in those assets, then distributes the proceeds to creditors in accordance with statutory priorities.

The Assignee has a fiduciary duty to the creditors. Assignee's duties include protecting the assets of the estate, administering them fairly and representing the estate. Assignee is free to enter contracts to recover assets or liquidated claims, e.g. filing suit or taking other action.

6. What are the next steps in this process?

DWC will begin the process of informing creditors about the ABC and the administrative requirements around the filing of claims and claims processing. In addition, DWC will begin the sale of assets.

7. How long will this process take?

ABC's usually take approximately 12-18 months.

Vendors

1. How will this announcement impact Zulily's relationship with vendors?

We sincerely regret to share that Zulily will no longer be able to serve its vendors as a result of this assignment. We thank all our vendors for their partnership over the years and appreciate your understanding.

2. How can I ensure that I will be paid for goods and services delivered before Zulily entered into an Assignment for the Benefit of Creditors (ABC)?

If you have an outstanding invoice with Zulily, please visit <https://omniagentsolutions.com/ZulilyABC> for additional information on the claims process.

We are working diligently to fulfill our obligations to vendors and regret any inconveniences this process may cause.

3. How will I be kept informed during this process? Who should I contact if I have questions?

We are committed to providing updates as there is information to share. You may receive communications in the form of legal notices through Omni Agent Solutions, a third party supporting our Company during this process. We wanted you to be aware of these communications as these notices are typical of the ABC process.

If you have any questions, please reach out to 888-202-5829 or (+1) 747-288-6406 outside the U.S., or visit <https://omniagentsolutions.com/ZulilyABC> for support.