
NOTICE OF CERTIFICATION/AUTHORIZATION AND SETTLEMENT APPROVAL HEARINGS IN THE CANADIAN OPTICAL DISC DRIVES LITIGATION

If you bought Optical Disc Drives (“ODD”) or products containing ODD in Canada between January 1, 2000 and December 31, 2010, you may be affected by a class action settlement.

1. WHAT IS A CLASS ACTION?

A class action is a lawsuit filed by one person on behalf of a large group of people.

2. WHAT ARE THESE CLASS ACTIONS ABOUT?

Class actions lawsuits were commenced in Ontario, British Columbia and Quebec alleging that the defendants illegally conspired to fix the prices of ODD (collectively, the “ODD Proceedings”). The cases include Canadian residents in all provinces and territories who were affected by the alleged conspiracy. The ODD Proceedings ask that the Courts require these companies to return any extra money that they may have received due to this alleged conspiracy.

3. WHAT SETTLEMENTS HAVE BEEN REACHED IN THE CLASS ACTIONS?

A settlement is when a defendant agrees to pay money to the members of the class action in exchange for being released from the case.

A settlement was reached with Panasonic Corporation, Panasonic Corporation of North America and Panasonic Canada, Inc. (collectively, “the Settling Defendants”).

Pursuant to the settlement, the Settling Defendants agreed to pay a total amount of USD\$1,650,000 for the benefit of the settlement class in exchange for a full release of the claims against the Settling Defendants related to the alleged price-fixing of ODDs. The Settling Defendants also agreed to provide cooperation to the plaintiffs in pursuing the ODD Proceedings against the remaining defendants. The Settling Defendants do not admit any liability, wrongdoing or fault.

The settlement will only become effective if it is approved by the British Columbia and Quebec Courts. The approval hearings will take place in the British Columbia Court in the City of Vancouver on March 12, 2021 at 10:00 a.m. and the Quebec Court in the City of Montreal on April 7, 2021 at 9:30 a.m. The Courts will decide whether the settlement is fair, reasonable, and in the best interests of settlement class members.

Depending on the status of the Covid-19 situation, it is possible that the hearings will proceed by videoconference, teleconference or in writing. Please visit www.siskinds.com/odd/ or www.cfmlawyers.ca/active-litigation/odd/ for updates.

Previous settlements have been achieved with:

- TEAC Corporation, TEAC America, Inc. and TEAC Canada, Ltd. (“TEAC”) for \$500,000 USD;
- NEC Corporation and NEC Canada, Inc. (“NEC”) for \$730,000 CDN;
- Hitachi-LG Data Storage, Inc. and Hitachi-LG Data Storage Korea, Inc. (“HLDS”) for \$8,123,940 CDN;
- Sony Corporation, Sony Optiarc, Inc., Sony Optiarc America Inc., Sony of Canada Ltd., Sony Electronics, Inc., Sony Corporation of America and Sony NEC Optiarc, Inc. (“Sony”) for \$4,400,000 CDN;
- Philips & Lite-On Digital Solutions Corporation and Philips & Lite-On Digital Solutions USA, Inc. (“PLDS”) for \$5,695,000 CDN. The settlement also released Koninklijke Philips N.V. (formerly known as Koninklijke Philips Electronics N.V.), Lite-On IT Corporation of Taiwan, Lite-On IT Corporation, Philips Canada Ltd., Philips Electronics North America Corporation and Philips Electronics Ltd.; and
- Toshiba Corporation Toshiba Samsung Storage Technology Corporation, Toshiba Samsung Storage Technology Korea Corporation, Toshiba of Canada Limited, Toshiba America Consumer Products, LLC, Toshiba America Information Systems, Inc., Samsung Electronics Co., Ltd., Samsung Electronics Canada Inc., and Samsung Electronics America, Inc. (“TSST”) for \$5,695,000 CDN.

These settlements have received the requisite court approvals and the settlement funds (less approved fees and expenses) are being held in trust for the benefit of settlement class members.

4. WHO IS AFFECTED BY THE CLASS ACTIONS?

The British Columbia and Quebec proceedings were certified or authorized as class proceedings against the Settling Defendants for the purposes of implementing the settlement agreement.

The settlement classes include persons in Canada who purchased ODD and/or ODD Products between January 1, 2000 and December 31, 2010. The defendants and certain entities related to the defendants are excluded from each of the settlement classes.

- An **“ODD”** is any device which reads and/or writes data from and to an optical disk, including but not limited to, CD-ROMs, CD-recordable/rewritable, DVD-ROM, DVD recordable/rewritable, Blu-Ray, Blu-Ray-recordable/rewritable, and HD DVD, as well as Super Multi-Drives, other combination drives, and optical disk drives designed to be attached externally to computers or other devices.
- An **“ODD Product”** is any products incorporating ODD, including but not limited to desktop computers, mobile/laptop computers, videogame consoles, CD players/recorders, DVD players/recorders and Blu-Ray disc players/recorders.

5. WHAT HAPPENS TO THE MONEY PAID UNDER THE SETTLEMENT?

At the settlement approval hearings, the courts will be asked to approve a method of distributing the settlement funds achieved in this litigation (the “Distribution Protocol”). The following is a summary of the proposed Distribution Protocol. To view a full copy of the Distribution Protocol, visit: www.siskinds.com/odd/ or www.cfmlawyers.ca/active-litigation/odd/.

(a) Amount Available for Distribution

Including prior settlements, the settlements achieved in this litigation total approximately CDN \$27 million. The aggregate settlement funds, plus any costs awards and interest, and less court approved legal fees, disbursements, administration expenses, applicable taxes, and a \$1 million reserve fund, are available for compensation to eligible Settlement Class Members (“Net Settlement Funds”).

(b) Persons Eligible to Claim

Settlement Class Members can claim for purchases of ODDs and ODD products made from January 1, 2004 to January 1, 2010. For the purposes of the Distribution Protocol, the following definitions apply:

- “ODD” means a device that reads and/or writes to CD-ROM, CD-R/RW, DVDROM, DVD-R/RW, Blu-Ray, Blu-Ray R/RW, and HD DVD.
- “ODD Products” means computers, video game consoles, and ODDs that are designed to be attached externally to devices such as computers.

(c) Distribution of the Net Settlement Funds

The Distribution Protocol contemplates two types of claims: Undocumented Claims (which can be filed without proof of purchase) and Documented Claims (which require proof of purchase).

Subject to further court order, each eligible Undocumented Claim will receive the minimum administrative payment of \$20. The remaining Net Settlement Funds will be available for distribution to eligible Settlement Class Members who filed Documented Claims. For Documented Claims, Settlement Class Members will be compensated on a *pro rata* (proportionate) basis based on the value of the qualifying Settlement Class Member’s Notional Entitlement as against the value of all qualifying Settlement Class Members’ Notional Entitlement.

(d) Calculation of Notional Entitlement

A Settlement Class Member’s Notional Entitlement will be calculated as follows.

First, the sum of a Settlement Class Member’s ODD and ODD Products purchases during the Class Period will be determined. The following values will apply:

- ODDs will be valued at 100% of their Purchase Price;
- ODD Products will be valued at the following fixed amounts:

Product	Value
Laptop and desktop computers	\$25
Gaming systems (other than the Sony PlayStation3)	
External DVD and CD drives	
Sony PlayStation 3	\$70
External Blu-Ray drives	

Second, to account for the position of the Settlement Class Member in the distribution chain, the following percentages will be applied to the Settlement Class Member's purchases of ODDs and ODD Products:

Category	Definition	Percent
Direct End Users	Settlement Class Members who purchased ODDs and/or ODD Products for their own use and not for commercial resale directly from a Defendant or an entity related to a Defendant.	100%
Direct Purchaser Resellers	Settlement Class Member who purchased ODDs and/or ODD Products for commercial resale directly from a Defendant or an entity related to a Defendant	25%
Other Purchaser End Users	Settlement Class Members who purchased ODDs and/or ODD Products for their own use and not for commercial resale, from an entity that is not a Defendant or related to a Defendant	80%
Other Resellers	Settlement Class Members who purchased ODDs and/or ODD Products for commercial resale, from an entity that is not a Defendant or related to a Defendant	15%

(e) Sample Calculation

If a Settlement Class Member purchased \$100,000 worth of ODDs directly from Defendants for resale and 10 computers directly from Defendants for its own use, its Notional Entitlement would be calculated as follows:

- \$100,000 (representing the ODDs) x .25 (representing the categorization of the Settlement Class Member as a Direct Purchaser Reseller) +

- \$250 (representing 10 computers x \$25) x 100% (representing the categorization of the Settlement Class Member as a Direct Purchaser End User)
- For a total Notional entitlement of \$25,250.

Assuming the value of all qualifying Settlement Class Members' Notional Entitlement totalled \$10 million, this Settlement Class Member would be entitled to 0.2525% of the Net Settlement Funds.

(f) Minimum Payments

Subject to further directions of the British Columbia Court, all Eligible Settlement Class Members will receive a minimum payment of \$20. The \$20 valuation target is not an estimate of any damages suffered. It is a minimum administrative threshold designed to maintain a feasible economic and administrative platform for the settlement distribution.

(g) Next Steps

Watch for another notice explaining how to claim money from the settlements. Register online at www.siskinds.com/odd/ or www.cfmlawyers.ca/active-litigation/odd/ to ensure that you are sent this notice by email or direct mail.

In the interim, you should keep all records of your ODD and ODD Product purchases during the period January 1, 2004 to January 1, 2010.

6. HOW CAN I PARTICIPATE IN THE APPROVAL HEARINGS?

Settlement class members who do not oppose the proposed settlement or distribution need not appear at the settlement approval hearings or take any other action at this time.

Members of the Settlement Class are entitled to file written submissions and/or appear and comment on or object to the proposed settlement and/or distribution plan at the appropriate settlement approval hearing. Settlement Class members who wish to comment or object must submit a written submission by mail or email to the appropriate class counsel at the address listed below, postmarked no later than March 8, 2021. The written submission must state the nature of any comments or objections, and whether the Settlement Class member intends to appear at the appropriate settlement approval hearing. Class Counsel will forward all such submissions to the appropriate court. All timely written submissions will be considered by the appropriate court. If you do not submit a written submission by the relevant deadline, you might not be entitled to participate, through oral submissions or otherwise, in the settlement approval hearings.

If you want to attend the hearings, please contact Class Counsel for additional details (including whether the hearings are proceeding, in person, by videoconference, by teleconference or in writing).

7. WHAT IS THE STATUS OF THE CONTESTED LITIGATION?

The contested litigation is continuing against the following defendants:

- Quanta Storage, Inc. and Quanta Storage America, Inc. ("Quanta"); and
- BenQ Corporation, BenQ America Corporation and BenQ Canada Corp. ("BenQ"); and
- Pioneer Corporation, Pioneer North America, Inc., Pioneer Electronics (USA) Inc., Pioneer High Fidelity Taiwan Co., Ltd. and Pioneer Electronics of Canada Inc. ("Pioneer").

The British Columbia class action was certified on behalf of residents of British Columbia. The certification decision was upheld by the British Columbia Court of Appeal and the Supreme Court of Canada.

To avoid duplicating the British Columbia action, the Ontario action has been discontinued and the British Columbia class was amended to include all persons in Canada.

This means that the British Columbia action can proceed as a class action and the common issues (as defined in the British Columbia certification order) will be determined in a single proceeding on behalf of members of the following subclasses:

Non-Umbrella Purchasers Subclass:

All persons resident in Canada who purchased optical disc drives ("ODD") manufactured or supplied by the defendants in this action, or products that contain ODD ("ODD Products") in which the ODD was manufactured or supplied by the defendants in this action, in the period from January 1, 2004 through January 1, 2010.

ODDs means a device that reads and/or writes to CD-ROM, CD-R/RW, DVDROM, DVD-R/RW, Blu-Ray, Blu-Ray R/RW, and HD DVD.

ODD Products means computers, video game consoles and ODDs that are designed to be attached externally to devices such as computers.

Umbrella Purchasers Subclass:

All persons resident in Canada who purchased optical disc drives ("ODD") that were not manufactured or supplied by the defendants in this action, or products that contain ODD ("ODD Products") in which the ODD was not manufactured or supplied by the defendants in this action, in the period from January 1, 2004 through January 1, 2010.

ODDs means a device that reads and/or writes to CD-ROM, CD-R/RW, DVDROM, DVD-R/RW, Blu-Ray, Blu-Ray R/RW, and HD DVD.

ODD Products means computers, video game consoles and ODDs that are designed to be attached externally to devices such as computers.

At this time, the Quebec action remains active. Any decisions regarding the interplay of the national class with the parallel Quebec ODD action will be made in the BC ODD action.

8. WHO ARE THE LAWYERS WORKING ON THESE CLASS ACTIONS AND HOW ARE THEY PAID?

The law firms of Camp Fiorante Matthews Mogerman LLP and Siskinds LLP represent Settlement Class Members in all provinces other than Quebec:

CAMP FIORANTE MATTHEWS MOGERMAN LLLP

Telephone: 1-800-689-2322

Email: oddclassaction@cfmlawyers.ca

Mail: 4th Floor, 856 Homer Street, Vancouver, BC V6B 2W5, Attention: Reidar Mogerman

SISKINDS LLP

Telephone (toll free): 1-800-461-6166 ext. 2455

Email: oddclassaction@siskinds.com

Mail: 680 Waterloo Street, London, ON N6A 3V8 Attention: Charles Wright

The law firm of Consumer Law Group Inc. represents Settlement Class Members in Quebec.

CONSUMER LAW GROUP INC.

Telephone: 514-266-7863

Email: jorenstein@clg.org

Mail: 1030 rue Berri, Suite 102, Montreal, QC, H2L 4C3, Attention: Jeff Orenstein

As an individual, you do not have to pay the lawyers working on the ODD Proceedings any money out-of-pocket. The lawyers will be paid from the money collected in the ODD Proceedings. The Courts will be asked to decide how much the lawyers will be paid. The lawyers will collectively be asking that the Courts approve legal fees of up to 33^{1/3}% of the settlement funds plus disbursements and applicable taxes. Any approved legal fees will be paid out of the settlement funds. Class Counsel reserve the right to ask the Courts to allow Class Counsel to use the settlement funds to pay for any future adverse costs award or future disbursements.

9. WHERE CAN I ASK MORE QUESTIONS?

For more information and to register to receive updates about the class action, please visit www.siskinds.com/odd/ or www.cfmlawyers.ca/active-litigation/odd/.

If you have any questions that are not answered online, please contact Class Counsel at the addresses listed above.

10. INTERPRETATION

This notice contains a summary of some of the terms of the settlement agreement reached with the Settling Defendants. To review the complete settlement agreement, visit www.siskinds.com/odd/ or www.cfmlawyers.ca/active-litigation/odd/. If there is a conflict between the provisions of this notice and the settlement agreement, the terms of the settlement agreement shall prevail.