#### **NOTICE OF CERTIFICATION AND SETTLEMENT APPROVAL HEARING**

# IN THE MATTER OF SONY DVD PLAYERS CLASS ACTION LITIGATION

#### PLEASE READ THIS NOTICE CAREFULLY. IT MAY AFFECT YOUR LEGAL RIGHTS.

# TO: All persons or entities in Canada who purchased, or received as gifts, a Sony DVD player, model numbers DVPF21S, DVPNS300, DVPNS315SM, DVPNS415, DVPNS315, DVPNS400D, DVPS330, DVPS530D, DVPS530D, DVPS560D, DVPS560D, DVPS560D, DVPS670D, and DVPNC600.

#### WHAT IS THE PURPOSE OF THIS NOTICE?

An agreement has been reached in lawsuits initiated in Ontario and Quebec against Sony Corporation and Sony of Canada Ltd. (collectively "Sony") in which allegations were made that Sony designed, manufactured and sold certain Sony DVD players that were defective. This agreement has not yet been approved by the Courts and is subject to court approval.

This Notice is to advise you of the proposed agreement and to inform you of your rights as a Class Member under the agreement. You will be bound by the terms of the proposed agreement unless you decide to exclude yourself by opting out of the agreement, as explained in this Notice. Capitalized terms that are not otherwise defined herein have the same meaning as attributed to them in the Settlement Agreement.

# WHO IS INCLUDED IN THE SETTLEMENT CLASS?

The proposed agreement settles two legal actions, one before the Ontario Superior Court of Justice (the "Ontario National Action") and one before the Quebec Superior Court (the "Quebec Action").

The Ontario National Action was certified as a class proceeding by the Ontario Court of Justice on July 23, 2008. The Ontario National Class is defined as:

All persons and legal entities located in Canada, except Quebec Class members, who:

- (i) purchased a DVD Player\* from a vendor located in Canada for their own use and not for resale between January 1, 1998, and July 21, 2008, or
- (ii) received as a gift a DVD Player purchased from a vendor located in Canada for their own use and not for resale between January 1, 1998, and July 21, 2008.

\*"DVD Player" means Sony DVD player models DVPF21S, DVPNS300, DVPNS315SM, DVPNS415, DVPNS315, DVPNS400D, DVPS330, DVPS530D, DVPS570D, DVPS360, DVPS550D, DVPS500D, DVPS560D, DVPC670D, and DVPNC600.

The Ontario National Class does not include any person or entity who purchased or acquired a DVD Player for resale, any person or entity who purchased or acquired a DVD Player for commercial use, any claims aggregators, any person or entity who claims to be an assignee of rights associated with any of the DVD Players, or any person or entity offering extended service plans in connection with the DVD Players.

The Quebec Action was certified as a class proceeding by the Quebec Superior Court on May 27, 2005. Quebec Class is defined as:

All natural persons who are residents of Quebec who, since June 1, 2000, procured for themselves or suffered problems with a numeric visual player of DVD laser discs distributed or sold by Sony of Canada Ltd., bearing one of the following model numbers: DVP-S360, DVP-S560D, DVP-S570D, DVP-C-670D, DVP-S330, DVP-S530D and DVP-NS400D.

Because the Ontario National Class and Quebec Class relate to different models of Sony DVD players, it is possible for persons to belong to both the Ontario National Class and the Quebec Class.

#### WHAT ARE THE SETTLEMENT BENEFITS?

Sony shall provide benefits to Class Members for all valid claims filed in a timely manner and in accordance with these provisions.

Class Members must file a valid claim form in order to choose to receive one, but not both, of the following:

## **BENEFIT OPTION I**

#### (a) **Reimbursement for Repairs**

Sony will reimburse the Class Member for out of pocket costs he/she incurred for SYSCON ROM chip repair or replacement for his/her DVD Player, provided that the Class Member submits: (i) proof of purchase of a DVD Player; and (ii) written proof of payment of a SYSCON ROM repair or replacement. The repair or replacement must have occurred outside the applicable DVD Player limited warranty period. If Sony has a record of charging for such repair or replacement, Sony will automatically reimburse the Class Member, without proof of purchase and without proof of repair or replacement, within 60 days of the settlement approval date, but not before the Effective Date (February 20, 2009).

## (b) Current Performance Symptoms

If you are experiencing any of the following alleged performance symptoms, erroneous display of a "C:13:00" or "No Disk" message code, a "lip synch" problem, in which the audio and video playback are out of synch, picture freezing, chapter skipping, pixilation, overheating and spontaneous power down, or a mechanical malfunction that prevents a user from inserting or ejecting DVDs, but have not had the SYSCON ROM chip repaired or replaced or purchased a Replacement DVD Player, you may arrange for Sony to inspect your DVD Player (at Sony's expense) by calling toll-free at 1-866-215-6663 between 10 a.m. and 6 p.m. EST. Upon inspection, if Sony identifies a performance symptom and the Class Member has filed a valid Claim Form, Class Members will be entitled to choose either: (i) a CDN \$40 voucher good towards the purchase of any product offered at www.sonystyle.ca; or (ii) one refurbished Sony DVP-NS75HB DVD player with standard 90-day limited warranty; but not both.

# **BENEFIT OPTION II**

The Class Member may select either: (i) a CDN \$40 voucher good towards the purchase of any product offered at www.sonystyle.ca; or (ii) one refurbished Sony DVP-NS75HB DVD player with standard 90-day limited warranty; but not both, provided that the Class Member:

a. submits proof of purchase of a DVD Player;

b. provides proof of purchase of a replacement DVD player, of any brand, purchased before December 31, 2003 (a "Replacement DVD Player"); and

c. attests, under penalty of perjury, that he or she had to replace his or her DVD Player due to one of the following performance symptoms: erroneous display of a "C:13:00" or "No Disk" message code, a "lip synch" problem, in which the audio and video playback are out of sync, picture freezing, chapter skipping, pixilation, overheating and spontaneous power down, or a mechanical malfunction that prevents a user from inserting or ejecting DVDs.

Settlement Class Members who registered their DVD Player or Replacement DVD Player (if it is a Sony product) with Sony and for whom Sony has record of such registration shall not be subject to the proof of purchase requirements in relation to that DVD Player or Replacement DVD Player.

#### **Vouchers and Refurbished DVD Players**

All CDN \$40 vouchers shall expire on June 17, 2009. If the total cost of the merchandise a Class Member selects from www.sonystyle.ca is less than CDN \$40, the Class Member may use the remaining balance of the voucher

toward shipping costs, if any, of the merchandise purchased. Sony shall have the right and sole discretion to substitute the Sony DVP-NS75HB DVD player with a new or refurbished DVD player with equivalent or better features/capabilities. Shipments of the voucher or refurbished DVD player shall be made in 46 weeks following receipt of a properly completed and accepted Claim Form, but not before the Effective Date (February 20, 2009). Sony will pay for the costs to ship the vouchers and refurbished DVD players to Class Members.

Please Note: Under the terms of the Settlement Agreement, Sony is responsible for paying Class Counsel fees, the costs of providing notice and the costs of administering the claims. The Settlement Benefits payable to eligible Class Members will not be subject to any reductions as a result of these expenses.

## WHAT ARE MY OPTIONS?

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

#### 1. Submit a Claim Form

To receive Settlement Benefits, Class Members must submit a Claim Form together with all supporting documentation to Sony of Canada Ltd. at the following address:

Sony of Canada Ltd. Attn: Customer Information Centre/DVD Settlement Claims 115 Gordon Baker Road Toronto, ON M2H 3R6

To be eligible to receive settlement benefits you must file a Claim Form by February 17, 2009. In no event shall Sony of Canada Ltd. accept Claim Forms postmarked after this date. You can obtain a Claim Form from Class Counsel, Sony of Canada Ltd., the settlement website located at

You can obtain a Claim Form from Class Counsel, Sony of Canada Ltd., the settlement website located at http://www.sony.ca/dvdsettlement, or Class Counsel's website located at <u>www.classaction.ca</u>.

# 2. Opt Out

If you are a member of the Ontario National Class, you may opt out of this Settlement Agreement and the Ontario Action and pursue individually whatever claims you may have against the Defendants. If you opt out, you will not be entitled to any benefits under the Settlement Agreement and you cannot object to the terms of the Settlement Agreement.

If you wish to opt out of the Settlement Agreement, you must do so by providing clear written notice of your election to opt out to Class Counsel by November 19, 2008 at the following address:

Siskinds LLP Attn: Jennifer Bald 680 Waterloo Street P.O. Box 2520 London, ON N6A 3V8

The notice of election must include the following information:

- (a) the name, address and phone number of the person(s) seeking to opt out;
- (b) the name of the case (Sony DVD Players Class Action Litigation); and
- (c) a signed statement that "I/we hereby request that I/we be excluded from the settlement and the Ontario Action in the Sony DVD Players Class Action Litigation."

Members of the Quebec Class were required to opt out by October 31, 2005, pursuant to the Order of the Quebec Court on May 27, 2005.

#### 3. Do Nothing

If you do not file a Claims Form or opt out, you will receive no compensation and your claims against Sony relating to these matters will be barred.

# WHAT PROOF OF PURCHASE IS REQUIRED?

To satisfy the proof of purchase requirements under BENEFIT OPTION I and BENEFIT OPTION II for the DVD Player, and BENEFIT OPTION II for the Replacement DVD Player, you must provide one of the following:

- (a) a legible copy of original receipt;
- (b) a legible copy of an invoice marked "paid", identifying the retail seller, the seller's address and the purchase;
- (c) a legible copy of a cancelled cheque identifying the purchase;
- (d) a legible copy of a credit card bill identifying the purchase;
- (e) a portion of the box originally holding the DVD Player identifying the player and model number;
- (f) a portion of the box originally holding the Replacement DVD Player identifying the player and model number;
- (g) a legible copy of a shipping invoice identifying the DVD Player or the Replacement DVD Player;
- (h) the DVD Player itself;
- (i) the Replacement DVD Player itself; or
- (j) indicate that the DVD Player or Replacement DVD Player (if it was a Sony product) was registered with Sony. If Sony confirms that you have registered a DVD Player or Replacement DVD Player, Sony will waive the proof of purchase requirement with respect to that DVD Player or Replacement DVD Player.

For Replacement DVD Players, if you choose options (f) or (i), you must also attest, under penalty of perjury, that the purchase occurred before December 31, 2003.

# WHEN WILL THE SETTLEMENT AGREEMENT BE APPROVED BY THE COURTS?

Hearings are scheduled for November 26, 2008 at the Courthouse of the Ontario Superior Court of Justice, 80 Dundas Street, London, Ontario and for January 20, 2009 at the Quebec Superior Court, district of Montreal, 1 rue Notre Dame Est, Montreal, Québec. The purpose of these hearings is for the Courts to make a determination of the fairness of the Settlement Agreement and to approve the Settlement Agreement. All timely filed written submissions from Class Members will be considered at this time. If you wish to comment on, or make an objection to, the Settlement Agreement, you must deliver a written submission to Class Counsel at the address listed below, no later than November 16, 2008. Class Counsel will forward all such submissions to counsel for the Defendants and the Court.

Siskinds LLP Attn: Jennifer Bald 680 Waterloo Street P.O. Box 2520 London, ON N6A 3V8

The Ontario and Quebec Courts must both approve the Settlement Agreement for it to bind the parties. If either Court does not approve the Settlement Agreement, the lawsuits will continue and, if you have submitted a Claim Form or notice of election to opt out, you will receive notification that the Settlement Agreement has not been approved.

# WHERE CAN I OBTAIN FURTHER INFORMATION?

If you have any questions you may contact Sony of Canada Ltd. toll-free at 1-866-215-6663 between 10 a.m. and 6 p.m. EST. You may also contact Class Counsel. The law firm of *Siskinds* <sup>*LLP*</sup> represents the Ontario National Class and can be reached toll-free at 1-800-461-6166 ext. 2455. The law firm of *Siskinds Desmeules* represents the Quebec Class and can be reached at 418-694-2009. A copy of the Settlement Agreement is available at http://www.sony.ca/dvdsettlement or from Class Counsel's website at <u>www.classactions.ca</u>.