

**IN THE CIRCUIT COURT
TWENTIETH JUDICIAL CIRCUIT
ST. CLAIR COUNTY, ILLINOIS**

RICHARD MORRIS, LINDA DARR, and
MIKE MADDALENO, individually and on
behalf of themselves and all others similarly
situated,

Plaintiffs,

vs.

SONY ELECTRONICS INCORPORATED,
Defendant.

Case No. 03 L 210

NOTICE TO CLASS OF PROPOSED SETTLEMENT

TO: ALL ORIGINAL UNITED STATES END USER CONSUMERS WHO PURCHASED, AT RETAIL, OR WHO RECEIVED AS A GIFT FROM AN ORIGINAL PURCHASER, ANY OF THE SONY DVD PLAYER MODELS LISTED BELOW BETWEEN JANUARY 1, 1998 AND THE PRESENT.

THIS NOTICE IS GIVEN TO INFORM YOU OF THE PENDENCY OF THIS CLASS-ACTION LAWSUIT AND OF ITS PROPOSED SETTLEMENT. IF THE SETTLEMENT IS APPROVED BY THE COURT, CERTAIN BENEFITS WILL BE AVAILABLE TO MEMBERS OF THE SETTLEMENT CLASS IN SETTLEMENT OF ALL CLAIMS RELATING TO ALLEGEDLY DEFECTIVE SONY-BRAND DVD PLAYERS.

THIS NOTICE CONCERNS YOUR LEGAL RIGHTS. PLEASE READ IT CAREFULLY. NOTHING IN THIS NOTICE SHOULD BE CONSTRUED AS AN EXPRESSION BY THE COURT OF THE MERITS OF THIS LAWSUIT.

The Court, by order dated November 21, 2006, has preliminarily approved the proposed settlement, ordered that this Notice be given, and conditionally certified the following class for settlement purposes only: All original United States end user consumers who purchased, at retail, any of the following Sony DVD Player models between January 1, 1998 and the present (hereafter, the "Settlement Class"):

DVP-S530D, DVP-S330, DVP-S360, DVP-S550D, DVP-S560D, DVP-S570D, DVP-NS400D, DVP-NC600, DVP-C650D, DVP-S350, DVP-S363, DVP-F21, DVP-NS315, DVP-S500D, DVP-C670D, DVP-S300, and DVP-NS415.

The Settlement Class shall also include any person who received one of the above listed DVD players (hereinafter referred to as a "Covered Sony DVD Player"), as a gift, directly from the original purchaser of the product at retail. The Settlement Class shall not include any person/entity who purchased or acquired a Covered Sony DVD Player for resale, any person/entity who purchased or acquired a Covered Sony DVD Player for commercial use, any claims aggregators, or any person/entity who claims to be an assignee of rights associated with any of the Covered Sony DVD Players, nor shall it include any person who is an employee, director, officer or agent of Sony Electronics Inc. ("SEL"), or its direct or indirect parent or affiliated companies, nor shall it include any Judge of this Court.

A hearing regarding a proposed settlement of this class action will be held on **March 22, 2007** at **10:00** a.m. before the Honorable Robert P. LeChien at the Circuit Court for the Twentieth Judicial Circuit, St. Clair County, Illinois, St. Clair County Building, 10 Public Square, Belleville, IL 62220. The hearing will be held to determine whether the proposed settlement is fair, reasonable, and adequate. If you are a member of the Settlement Class, you should read this notice carefully because it will affect your rights.

BACKGROUND OF THIS CASE AND THE PROPOSED SETTLEMENT

Litigation Summary

On April 10, 2003, Plaintiff Richard Morris filed a lawsuit in this Court against SEL alleging that several Sony-brand DVD player models sold and marketed by SEL contain an inherent defect that causes the erroneous display of a "C:13:00" or "No Disk" message code, inevitably rendering the DVD player unable to play DVDs. Plaintiff Morris subsequently amended his complaint three times. In the current version of the complaint, Plaintiff Morris, along with Linda Darr and Mike Maddaleno (collectively, "Plaintiffs"), allege that the source of the purported defect is faulty firmware in an electronic integrated circuit, known as the SYSCON ROM, in the DVD players. Plaintiffs further allege that the faulty firmware causes the DVD players at issue to perform poorly, including the 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, and a mechanical malfunction that prevents a user from inserting or ejecting DVDs. Plaintiffs further contend that SEL intentionally concealed material information about the alleged defect, and that SEL made misrepresentations to consumers regarding the performance, reliability, and quality of the DVD players at issue. Plaintiffs purport to bring their lawsuit on behalf of themselves

and all other consumers in the United States who purchased at retail, between January 1, 1998 and the present, or received as a gift from the original purchaser, a Sony-brand DVD player listed above.

This lawsuit raises many of the same facts, issues, allegations, legal theories, and claims that have been raised in the following class-action lawsuits filed against Sony Electronics in other states: *Donald Scafuri et al. v. Sony Electronics Inc.*, Case No. MID-L-2022-02, Superior Court of New Jersey, Law Division, Middlesex County (filed February 15, 2002); *Terry Hall et al. v. Sony Electronics Inc.*, Case No. CV02-7666, Circuit Court of Jefferson County, Alabama (filed December 23, 2002); *Kenneth D. Berna et al. v. Sony Electronics Inc.*, Case No. 03AS00820, Superior Court of the State of California, County of Sacramento (filed February 14, 2003); *Michael A. Zeigler v. Sony Corporation of America et al.*, No. X01-CV-030181305 S, in the Superior Court of Connecticut, Complex Litigation Docket at Waterbury (filed June 10, 2003); *Don Daugherty v. Sony Electronics Inc.*, Case No. 2-202-3, Circuit Court for Knox County, Tennessee at Knoxville (filed April 2, 2003); *Arshad Armeen v. Sony Electronics Inc.*, No. 04-C-1324, Circuit Court of Davidson County, at Nashville, Tennessee (filed May 7, 2004); *John Szychowski et al. v. Sony Electronics Inc.*, Case No. 0400040-261, Court of Common Pleas, Bucks County, Pennsylvania (filed January 5, 2004); and *Mary Ciccio v. Sony Electronics Inc.*, Index No. 32142/04, Supreme Court of the State of New York, County of Kings (filed October 8, 2004). Only four of the above listed lawsuits are still active: the *Daugherty*, *Ameen*, *Szychowski*, and *Zeigler* lawsuits. The courts presiding over the *Berna*, *Hall*, and *Ciccio* actions dismissed those lawsuits and the parties in the *Scafuri* action resolved that lawsuit as an individual action after the *Scafuri* court declined to certify the purported class.

SEL vigorously denies the allegations asserted in this lawsuit, as well as the other lawsuits listed above, and expressly denies the claim that the SYSCON ROM firmware in the DVD players at issue has systematically failed, or has failed at an abnormally high rate. The parties to this lawsuit have engaged in extensive discovery, including production of hundreds of thousands of pages of hard-copy and electronic documents and numerous depositions.

On October 4, 2005, Plaintiffs asked the Court to certify a class that is a subset of, though substantially smaller than, the proposed Settlement Class. The Court granted Plaintiffs' request, certifying a class defined as:

All persons and entities that purchased in Illinois Sony DVD Players of Models Nos. DVP-S330, DVP-S360, DVP-S350D, DVP-S530D, DVP-S550D, DVP-S560D, DVP-S570D, between April 10, 2000 and the present ("Class Period"). Excluded from the Class are Defendant and its subsidiaries, affiliates, legal representatives, heirs, successors, assignees and employees, as well as government entities.

SEL asked the Appellate Court of Illinois to hear its appeal of the certification ruling, which the Appellate Court granted. At the time the parties submitted this proposed settlement to the Court for approval, the Appellate Court had not heard oral argument on SEL's appeal of the certification ruling.

The Proposed Settlement

The parties have agreed to a settlement under the terms of an agreement signed by the parties to this lawsuit on or around November 17, 2006 ("Settlement Agreement"). Under the terms of the settlement and subject to the limitations described below, SEL will provide one of two mutually exclusive settlement benefits to members of the Settlement Class: (1) a SYSCON ROM repair reimbursement benefit, or (2) an e-voucher good on sonystyle.com or refurbished DVD player benefit. SEL has also agreed to an incentive award to the Plaintiffs and to compensate the named plaintiffs in the *Daugherty*, *Ameen*, and *Zeigler* lawsuits. Under the settlement, members of the Settlement Class will release all current and future claims against SEL, Sony Corporation, Sony Corporation of America, and other affiliated and non-affiliated parties described fully in Section 5 of the Settlement Agreement, relating to or arising from the facts, claims, and allegations that were raised, or could have been raised, in this lawsuit.

TERMS OF THE SETTLEMENT

Settlement Benefits

Settlement Class members are entitled to one, but not both, of the two benefits described below. These benefits will be available to Settlement Class members beginning 30 days after the Court issues an order granting final approval of the proposed settlement, and ending on October 31, 2007. There is a possibility that the benefits will be available beyond October 31, 2007. If SEL extends the October 31, 2007 deadline, it will post this information, along with the new deadline, on the Sony DVD Player Settlement Website at <http://esupport.sony.com/dvdsettlement>.

A. Benefit Option I: Reimbursement For SYSCON ROM Repair

If a Settlement Class member has already paid to have the SYSCON ROM in his or her Covered Sony DVD Player repaired or replaced, SEL will reimburse the member for the cost of that repair, subject to the following limitations:

1. SEL shall not provide any reimbursement for a Covered Sony DVD Player that is repaired within the applicable Covered Sony DVD Player limited warranty period or repaired after the Claims Period begins; and
2. Each Settlement Class member must submit a claim form and (1) proof of purchase of a Covered Sony DVD Player, and (2) written proof of payment for the repair or replacement of a SYSCON ROM in a Covered Sony DVD Player, as described more fully below.

B. Benefit Option II: E-voucher/Refurbished DVD Player

A Settlement Class member who declines Benefit Option I (the Reimbursement For SYSCON ROM Repair) described immediately above is eligible to receive one, but not both, of the following: (1) a \$40.00 e-voucher redeemable at sonystyle.com

for any product sold at that website, or (2) a refurbished Sony-brand DVD player, model number DVP-NS50P, with standard 90-day limited warranty, subject to the following limitations:

1. Each Settlement Class member must submit a claim form and proof of purchase of a Covered Sony DVD Player (acceptable forms of proof of purchase of a Covered Sony DVD Player are described below);
2. Each Settlement Class member must submit proof that he or she purchased, before December 31, 2003, a DVD player of any brand to replace his or her Covered Sony DVD Player (hereafter referred to as a "Replacement Player"). Acceptable forms of proof of purchase of a Replacement Player are described below;
3. Each Settlement Class member must attest, under penalty of perjury, that he or she had to replace his or her Covered Sony 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 synch, picture freezing, chapter skipping, pixilation, overheating and spontaneous power down, or a mechanical malfunction that prevents a user from inserting or ejecting DVDs.

If you choose to receive an e-voucher, you must redeem it within 330 days following the date the Court enters an order granting final approval of this proposed settlement. Because SEL does not know if, or when, the Court will issue the final approval order, it cannot currently specify the actual e-voucher expiration date. (SEL *estimates* that the expiration date may be sometime around February 28, 2008.) Check the Settlement Website at <http://esupport.sony.com/dvdsettlement>, after March 22, 2007 to obtain the actual expiration date.

No Aggregation of Benefits

No member of the Settlement Class is eligible to receive any benefit described above for more than one Covered Sony DVD Player unless the member provides written proof that he or she is the original purchaser, at retail, of each Covered Sony DVD Player.

Incentive Awards

SEL shall pay Representative Plaintiffs Richard Morris, Linda Darr, and Mike Maddaleno incentive award of \$2,500.00 each. These payments represent compensation to each of these three persons for undertaking the costs and risks of prosecuting this action on behalf of members of the Settlement Class. SEL shall pay Don Daugherty, Arshad Ameen, and Michael A. Zeigler an incentive award of \$2,500.00 each. These payments represent compensation to each of these three persons for undertaking the costs and risks of prosecuting their respective lawsuits.

Release

Under the terms of the Settlement Agreement, Plaintiffs have agreed to dismiss this lawsuit, in its entirety, including the claims of the members of the Settlement Class, with prejudice, which dismissal will be incorporated into a final judgment approving the settlement. All members of the Settlement Class who have not excluded themselves will be bound by the final judgment entered by the Court. All claims of the members of the Settlement Class which were or could have been asserted in this lawsuit or any other lawsuit filed against SEL, as described above, that is or was based upon the facts alleged in those lawsuits, will be released as provided in the Settlement Agreement, and members of the Settlement Class will be forever barred from seeking other or further relief on such claims as described more fully in Section 5 of the Settlement Agreement. If the Illinois Court grants final approval of this proposed settlement, it will render the *Daugherty*, *Ameen*, *Szychowski*, and *Zeigler* lawsuits moot and will necessitate and result in the dismissal of those actions.

A full copy of the Settlement Agreement, which is summarized in this section, is available in the office of the Clerk of this Court. **IF YOU WANT A COPY OF THE SETTLEMENT AGREEMENT, DO NOT WRITE TO THE COURT CLERK. YOU MAY OBTAIN A COPY FROM THE COURT CLERK ONLY BY GOING TO THE CLERK'S OFFICE IN PERSON.** You may also obtain a copy of the Settlement Agreement by written request to Edward Wallace, Class Counsel for Plaintiffs and the Settlement Class, at the addresses below.

EDWARD WALLACE
WEXLER TORISEVA WALLACE, LLP
One North LaSalle Street, Suite 2000
Chicago, Illinois 60602

Attorney Compensation

As a term of and subject to the proposed settlement, Class Counsel will apply to the Court for attorneys' fees not to exceed \$1,250,000. Payment of these fees by SEL will not affect or limit the availability of the two mutually exclusive benefits made available to the Settlement Class.

WHAT YOU NEED TO DO

TO PARTICIPATE IN THE RECOVERY:

If you approve of the settlement and wish to participate in the recovery, you need not take any action before this settlement receives final approval by the Illinois Circuit Court Judge hearing this case. Once this proposed settlement receives final approval, to participate in the recovery you must take one of the actions described below.

Reimbursement For SYSCON ROM Repair Benefit

If you want to receive the **Reimbursement For SYSCON ROM Repair Benefit** described above, you must:

- a. complete the claim form attached to this notice, titled "Claim For Settlement Benefit;"
- b. send the completed claim form to the address listed on the form; and
- c. enclose with your claim form (i) proof of purchase of a Covered Sony DVD Player, and (ii) written proof that you paid to have the SYSCON ROM in your Covered Sony DVD Player repaired or replaced. SEL will determine if you are eligible for a reimbursement, and, if so, will mail you a reimbursement check.

Your claim form must be postmarked **NO LATER THAN OCTOBER 31, 2007** to make you eligible for this benefit.

Please note, however, that SEL may extend the deadline to mail in claim forms. If SEL extends the deadline, it will post the new deadline on the Sony DVD Player Settlement Website at <http://esupport.sony.com/dvdsettlement>, beginning on October 31, 2007.

If Sony currently has a record of you having paid to repair the SYSCON ROM in a Covered Sony DVD Player, it will automatically send you a reimbursement check for the repair costs. If you receive one of these automatic reimbursements and you have not already submitted a claim form, you do not need to submit a claim form or proof of purchase of your Covered Sony DVD Player.

Submission of any one of the following will constitute proof-of-purchase of a Covered Sony DVD Player: (a) legible copy of the original receipt; (b) legible copy of an invoice marked "paid" that identifies the retail seller, the seller's address, and identifies the purchase; (c) legible copy of a canceled check contemporaneously identifying the purchase; (d) legible copy of a credit card bill that identifies the purchase; (e) a portion of the box originally holding the Covered Sony DVD Player that identifies the player / model number; (f) a legible shipping invoice identifying the Covered Sony DVD Player; (g) the Covered Sony DVD Player itself; or (h) check the box on the claim form that you registered your Covered Sony DVD player with SEL, which, once SEL verifies such registration, will satisfy the proof of purchase requirement.

E-voucher/Refurbished DVD Player Benefit

If you want to receive the **E-voucher/Replacement DVD Player Benefit** described above, you must:

- a. fill out the attached "Claim For Settlement Benefit;"
- b. complete and sign, under penalty of perjury, the Attestation on the claim form;
- c. send the completed claim form to the address listed on the form; and
- d. enclose with your claim form (i) proof of purchase of a Covered Sony DVD Player, and (ii) proof of purchase of a Replacement Player.

Your claim form must be postmarked **NO LATER THAN OCTOBER 31, 2007** to make you eligible for this benefit.

Please note, however, that SEL may extend the deadline to mail in claim forms. If SEL extends the deadline, it will post the new deadline on the Sony DVD Player Settlement Website at <http://esupport.sony.com/dvdsettlement>, beginning on October 31, 2007.

Submission of any one of the following will constitute proof of purchase of a Replacement Player: (a) legible copy of the original receipt; (b) legible copy of an invoice marked "paid" that identifies the retail seller, the seller's address, and identifies the purchase; (c) legible copy of a canceled check contemporaneously identifying the purchase; (d) legible copy of a credit card bill that identifies the purchase; (e) a portion of the box originally holding the Replacement Player that identifies the player / model number; (f) a legible shipping invoice identifying the Replacement Player; (g) the Replacement Player itself; or (h) if the Replacement Player is a Sony-brand DVD player, check the box on the claim form that you registered your Replacement Player with SEL, which, once SEL verifies such registration, will satisfy the proof of purchase requirement.

PLEASE NOTE THAT ALL PROOFS OF PURCHASE SUBMITTED TO SEL TO CLAIM ANY BENEFIT DESCRIBED ABOVE SHALL BECOME THE PROPERTY OF SEL, WHICH SHALL BE RESPONSIBLE FOR THEIR DISPOSAL, AND WILL NOT BE RETURNED TO YOU.

TO EXCLUDE YOURSELF FROM THE SETTLEMENT CLASS:

You can exclude yourself from the Settlement Class. This means that you would not participate in this settlement and you may pursue whatever individual claims you may have against SEL. If you exclude yourself, you cannot object to the proposed settlement.

To exclude yourself you must send a letter to Edward Wallace, counsel for Plaintiffs, at the addresses listed above. Your request must state that you wish to be excluded from the settlement of this lawsuit, and must include (1) the name and case number of this lawsuit (*Richard Morris et al. v. Sony Electronics Inc.*, 03 L 210), (2) your name, address, telephone number, (3) the model number of your Covered Sony DVD Player, and (4) the serial number of your Covered Sony DVD Player (if available). **Your request for exclusion must be postmarked by March 7, 2007.**

TO OBJECT TO THE SETTLEMENT:

Any member of the Settlement Class who objects to the proposed settlement or the amount of fees or expenses claimed by attorneys for the Plaintiffs and Settlement Class, may appear personally, or through an attorney, at the Fairness Hearing and object to the approval of either. To object and be heard at the Fairness Hearing, a member of the Settlement Class must submit his or her objections, in writing, along with any supporting papers, to the Court for consideration at the address below by **March 7, 2007**, with copies to the attorneys for Plaintiffs and attorneys for SEL. Each objection *must include* the objector's name, address, and telephone number, the name and case number of this lawsuit (*Richard Morris et al. v. Sony Electronics Inc.*, 03 L 210), and the

objector must provide sufficient information to establish membership in the Settlement Class (*i.e.*, the model of the Covered Sony DVD Player you own, the purchase date, and the serial number (if available)). You must also provide a detailed written statement of each objection asserted, including all grounds for the objection and reasons, if any, for requesting the opportunity to appear and be heard at the Fairness Hearing. **IF YOU DO NOT OPPOSE THE PROPOSED SETTLEMENT, YOU NEED NOT APPEAR AT THE FAIRNESS HEARING OR FILE ANY PAPERS WITH THE COURT PRIOR TO THE HEARING.**

All objections should be sent to the Court Clerk at:
C. Barney Metz, Clerk of the Court
Circuit Court for the Twentieth Judicial Circuit
St. Clair County, Illinois
10 Public Square
Belleville, Illinois 62220-1623

And copies of everything you submit to the Clerk of the Court must be sent to:
EDWARD WALLACE
WEXLER TORISEVA WALLACE LLP
One North LaSalle Street, Suite 2000
Chicago, Illinois 60602
and
NANCY SHER COHEN
HELLER EHRMAN LLP
333 S. Hope Street, 39th Floor
Los Angeles, CA 90071-3043

If the Court overrules your objections and approves the settlement, you are bound by the terms of the settlement, meaning you may be eligible to receive one of the benefits offered under the settlement, and release all claims against SEL as provided for under the settlement.

IMPORTANT DATES

The Court has scheduled the following important dates that you should take note of:

March 22, 2007 at 10:00 a.m. FAIRNESS HEARING

The Fairness Hearing will be held before the Honorable John A. Houston at:
Circuit Court for the Twentieth Judicial Circuit
St. Clair County, Illinois
St. Clair County Building
10 Public Square
Belleville, IL 62220

The Fairness Hearing has two purposes that relate to you: (1) to provide members of the Settlement Class with an opportunity to assert objections to the settlement or the awarding of attorney's fees to Class Counsel that filed this lawsuit on behalf of Plaintiff and the Settlement Class; and (2) to provide members of the Settlement Class and the named parties in the lawsuit a chance to explain to the Court why the proposed settlement, including the awarding of attorneys' fees, is fair, reasonable, and adequate and should be granted final approval by the Court.

March 7, 2007 WRITTEN OBJECTIONS DUE

This date is the LAST DAY on which any member of the Settlement Class will be permitted to file a notice with the Court that the member intends to appear at the Fairness Hearing to assert objections to the proposed settlement or the awarding of attorneys' fees. The procedures for filing written objections are described above. It is also the LAST DAY to submit any papers or other materials that the objecting Settlement Class member wishes the Court to consider prior to its final determination of the fairness, reasonableness, and adequacy of the proposed settlement.

March 7, 2007 OPT-OUT DATE

This is the LAST DAY on which a member of the Settlement Class may notify Plaintiffs' attorneys, Edward Wallace, that the member wishes to exclude himself or herself from membership in the Settlement Class and to withdraw from participation in the proposed settlement. The procedures for excluding yourself from the proposed settlement are described above.

CHANGE OF ADDRESS

If you move after receiving this notice or if it was misaddressed, you should supply your name and correct address to attorneys for the Plaintiffs, Edward Wallace, at the addresses listed above.

FURTHER INFORMATION

The pleadings and all other records of this litigation may be examined and copied any time during regular office hours in the Office of the Clerk of the Circuit Court for the Twentieth Judicial Circuit, St. Clair County, Illinois at the above listed address.

**IF YOU HAVE ANY QUESTIONS, DO NOT CALL OR WRITE TO THE COURT OR THE CLERK OF THE COURT.
SEND ALL INQUIRIES IN WRITING TO:**

EDWARD WALLACE
WEXLER TORISEVA WALLACE LLP
One North LaSalle Street, Suite 2000
Chicago, Illinois 60602

You may also obtain information and a claim form by visiting the Settlement Website created for the settlement of this lawsuit at: <http://esupport.sony.com/dvdsettlement>.

DATED: November 21, 2006

**BY ORDER OF THE HON. ROBERT P. LECHIEN, CIRCUIT COURT FOR
THE TWENTIETH JUDICIAL CIRCUIT, ST. CLAIR COUNTY, ILLINOIS**