

NOTICE OF THE APPROVAL OF A CLASS ACTION SETTLEMENT AGREEMENT WITH SPOTIFY

Quebec Superior Court file number: 500-06-000798-161

Read this notice carefully as it may affect your legal rights.

A. PURPOSE OF THIS NOTICE

On July 4th, 2016, a Quebec consumer (the “**Representative Plaintiff**”) filed an Application to Authorize the Bringing of a Class Action and to Appoint the Status of Representative Plaintiff (the “**Application**”) against Spotify AB and twenty-four (24) other Defendants (collectively referred to hereinafter as the “**Defendants**”). The Application sought the authorisation to file a class action on behalf of consumers who, while they were residing in Québec, (i) started a subscription to the Spotify service during the Class Period, (ii) received a free or discounted trial, and (iii) were automatically renewed at the regular price following the end of their free or discounted trial (the “**Class Members**”). Subsequently, the Representative Plaintiff modified her Application to replace Spotify AB with Spotify Canada Inc. (Spotify Canada Inc. together with Spotify AB will be referred to as “**Spotify**”) as a Defendant.

In the Application, the Representative Plaintiff claims that the Defendants, including Spotify, carried on their business in violation of the *Consumer Protection Act*, CQLR, c. P-40.1 (the “**CPA**”) by requiring consumers who have obtained a goods or services at a reduced price or free of charge for a specific period of time to provide a notice indicating that they do not wish to obtain the goods or services at the regular price. In her proposed class action, the Representative Plaintiff sought compensatory and punitive damages against Spotify pursuant to section 272 CPA (the “**Claim**”). Spotify denies that its business practices contravene the CPA in any way.

In October 2017, the Representative Plaintiff and Spotify agreed to settle the Claim without prejudice or admission of liability whatsoever (the “**Settlement**”). On November 1st, 2017, the Court authorized the Representative Plaintiff to institute a class action in the judicial District of Montreal on behalf of the Class Members, for settlement purposes only (the “**Pre-Approval Judgement**”), and identified the following principal issue to be dealt with collectively:

During the Class Period, did Spotify’s alleged practice violate paragraph c of section 230 of the CPA, and, if so, are Class Members entitled to compensation?

Between February 1st, 2018 and March 1st, 2018, Spotify notified Class Members of the Settlement and the Pre-Approval Judgement by email and via an in-app notification (the “**Pre-Approval Notice**”). The Pre-Approval Notice advised Class Members that they could file an objection or opt-out of the class prior to April 1st, 2018 (the “**Opt-Out Deadline**”). On April 13th, 2018, the Court heard the parties’ Application for approval of the Settlement and an application to approve Class Counsel’s fees (the “**Approval Hearing**”). The Court has not taken any position as to the truth or merits of the claims or defences asserted by either side. The allegations made by the Representative Plaintiff have not been proven in Court.

The purpose of this notice is to advise you that following the Approval Hearing, the Superior Court has rendered a judgment approving the Settlement (the “**Approval Judgment**”) and to inform you of your rights resulting from the Approval Judgment.

B. WHO IS A SETTLEMENT CLASS MEMBER?

Settlement Class Members are consumers who, while they were residing in Québec, (i) started a subscription to the Spotify service during the Class Period, (ii) received a free or discounted trial, (iii) were automatically renewed at the regular price following the end of their free or discounted trial, and (iv) subsequently cancelled their subscription to the Spotify service within one month following the end of their free or discounted trial (the “**Settlement Class**”).

C. WHO IS A ROGERS SETTLEMENT CLASS MEMBER?

Rogers Settlement Class Members are Settlement Class Members who started a subscription to the Spotify service during the Class Period through Rogers Canada Inc. as part of their Share Everything or Share Everything + plans (the “**Rogers Settlement Class**”).

D. WHAT IS THE CLASS PERIOD?

CLASS PERIOD MEANS:

- a) for all Class Members and Settlement Class Members except the Rogers Settlement Class Members, July 4th, 2013 until October 31st, 2017;
- b) for the Rogers Settlement Class Members, July 4th, 2013 until July 31st, 2018.

E. WHAT WILL I RECEIVE AS RESULT OF THE SETTLEMENT AGREEMENT?

Pursuant to the Settlement Agreement, each Settlement Class Member (including Rogers Settlement Class Members) shall automatically receive a free one-month period of the Spotify Premium service (a “**Credit**”).

F. HOW MANY CREDITS MAY I RECEIVE?

Each Settlement Class Member (including Rogers Settlement Class Members) can only be entitled to one Credit regardless of the number of times that they have subscribed to the Spotify service during the Class Period or the number of times that they have cancelled their subscription to the Spotify service within one month of the end of a free or discounted trial period during the Class Period.

G. WHEN AND HOW WILL I RECEIVE THE CREDIT?

If you have not opted out before the expiration of the Opt-Out Deadline and if you are a Settlement Class Member, you shall automatically receive your one month Credit from Spotify within thirty (30) days of this notice.

H. WHAT IS THE DIFFERENCE BETWEEN A SETTLEMENT CLASS MEMBER AND A ROGERS SETTLEMENT CLASS MEMBER

The only differences between a Settlement Class Member and a Rogers Settlement Class Member is the definition of their respective Class Period and the date of the discontinuance of the combination of free or discounted trials with an automatic renewal at the end of the free or discounted trial in Québec.

I. RELEASE OF CLAIMS AND EFFECT ON OTHER PROCEEDINGS

If you have not already opted out of the Class, you will not be able to bring or maintain any claims that you have or may have against Spotify arising out of a violation of the CPA alleged in the Application.

J. WHO IS THE LAWYER REPRESENTING THE REPRESENTATIVE PLAINTIFF AND CLASS MEMBERS?

The lawyer representing the Representative Plaintiff and the Class Members is Me Joey Zukran. His contact information is the following:

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K. ADDITIONAL INFORMATION AND QUESTIONS

The complete versions of the Settlement Agreement, notices and the Approval Judgment can be found at WWW.LPCLEX.COM. Please be advised that the present notice only contains a summary of the Settlement Agreement and the Approval Judgment. In case of conflict between this notice and the Settlement Agreement and the Approval Judgment, the latter will govern.

THIS NOTICE WAS AUTHORIZED BY THE HONOURABLE STÉPHANE SANSFAÇON, J.C.S.