

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

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 Netflix, Inc. (“**Netflix**”) and twenty-four (24) other defendants (collectively referred to hereinafter as the “**Defendants**”). The Application sought authorisation to file a class action on behalf of consumers who, while they were residing in Québec, (i) started a subscription to the Netflix service between July 4th, 2013 and July 17th, 2017 (the “**Class Period**”), (ii) received a free trial, and (iii) were automatically renewed at the regular price following the end of their free trial (the “**Class Members**”).

In the Application, the Representative Plaintiff claims that the Defendants, including Netflix, carried on their business in violation of the Consumer Protection Act, CQLR, c. P-40.1 (the “**CPA**”) by requiring consumers who have obtained 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 Netflix pursuant to section 272 CPA (the “**Claim**”). Netflix denies that its business practices contravene the CPA in any way.

In October 2017, the Representative Plaintiff and Netflix 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, for settlement purposes only (the “**Pre-Approval Judgement**”), and identified the following principal issue to be dealt with collectively:

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

Between January 1st, 2018 and January 31st, 2018, Netflix notified Class Members of the Settlement and the Pre-Approval Judgement by email and via a Facebook campaign (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 March 15th, 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 Class Members residing in Québec who (i) started a subscription to the Netflix service during the Class Period, (ii) received a free trial, (iii) were renewed automatically at the regular price following the end of their free trial and (iv) subsequently cancelled their subscription to the Netflix service within two months following the end of their free trial period (the “**Settlement Class**”).

C. WHO IS A SUB-CLASS “A” MEMBER?

Sub-Class A Members are Settlement Class Members who cancelled their subscription to the Netflix service after September 18th, 2016.

D. WHO IS A SUB-CLASS “B” MEMBER?

Sub-Class B Members are Settlement Class Members who cancelled their subscription to the Netflix service on or before September 18th, 2016.

E. WHAT ARE SETTLEMENT CLASS MEMBERS ENTITLED TO AS A RESULT OF THE SETTLEMENT AGREEMENT?

Each Settlement Class Member is entitled to receive a refund equivalent to the subscription cost paid respectively by each Settlement Class Member during the one-month period that followed the end of their subscription to the Netflix service (a “**Refund**”).

F. HOW MANY REFUNDS MAY I RECEIVE?

Each Settlement Class Member may only be entitled to one refund regardless of the number of times that they have subscribed to the Netflix service during the Class Period or the number of times that they have cancelled their subscription to the Netflix service within one month of the end of a free trial period during the Class Period.

G. WHAT IS THE DIFFERENCE BETWEEN SUB-CLASS A MEMBERS AND SUB-CLASS B MEMBERS?

Sub-Class A Members have been identified by Netflix based on retained subscriber data. Netflix has provided email contact information of such members to the person in charge of the management of the settlement claims, Collectiva (the “**Claim Administrator**”), who shall pre-approve them for a refund.

Sub-Class B Members must complete an online form and provide the Claim Administrator with proof that they are part of the Settlement Class in order to obtain a refund. This online form is available at <<https://collectiva.ca/en/our-cases/netflix/>>.

H. HOW DO I CLAIM A REFUND?

Sub-Class A Members only have to indicate their wish to obtain the Refund by clicking on the link provided in the email sent by the Claim Administrator.

Sub-Class B Members have to go to the settlement website <<https://collectiva.ca/en/our-cases/netflix/>> to complete the online form and provide the documents necessary to establish proof of eligibility. The proof of eligibility which is required to obtain a Refund is the following:

- a) The email sent by Netflix confirming your subscription to the Netflix service (within the Class Period);
- b) The email sent by Netflix confirming your cancellation to the Netflix service within two months following the end of your Free Trial Period;
- c) Confirmation that you were a Quebec resident at the time of your subscription; and
- d) Subscription cost paid during you respective Refund Period (equal to the one-month period following the end of the free trial period).

Act now! If you are a Class-B Member, you have 30 days from the beginning of the Facebook Campaign to file your claim, after which date no claims will be processed.

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 Netflix arising out of, or related to, a violation of the CPA as alleged in the Application to Authorize the Bringing of a Class Action.

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:

c/o Me Joey Zukran
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K. ADDITIONAL INFORMATION AND QUESTIONS

The complete versions of the Settlement Agreement 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.**