

LOOT BOXES CLASS ACTION

NOTICE OF CERTIFICATION AND SETTLEMENT APPROVAL HEARING

Read this notice carefully as it may affect your rights.

THIS NOTICE IS DIRECTED TO:

All legal and natural persons and their guardians/tutors or estates, who are resident in Canada and who purchased random item loot boxes in the following Microsoft Games at any time during the period from 1 January 2008 to 17 October 2025: Halo 5 Guardians/Forge, Halo Wars 2, GearsPop!, Gears of War 4, Forza Street, Forza Horizon 3, Forza Horizon 4, Forza Motorsport 6, Forza Motorsport 7, Rise of the Tomb Raider, Ryse: Son of Rome, Magic 2015 Duels of the Planeswalkers, Killer Instinct Definitive Edition, and PlayerUnknown's Battlegrounds ("Class Members").

A class action settlement ("**Settlement**" or "**Settlement Agreement**") has been reached between the parties in *Liam Hudson v. Microsoft Corporation and Microsoft Canada Inc.* (Vancouver Registry, No. S-235297) (the "**Action**"). The Supreme Court of British Columbia (the "**Court**") has certified the Action by consent order for the purposes of implementing the proposed Settlement. The proposed Settlement is a compromise of disputed claims and is not an admission of liability, wrongdoing, or fault by the defendants. The Settlement is subject to approval by the Supreme Court of British Columbia.

The Court appointed Liam Hudson as representative plaintiff. Class Counsel is Slater Vecchio LLP.

The defendants are Microsoft Corporation and Microsoft Canada Inc. (collectively referred to as "**Microsoft**" or the "**Defendants**").

This class action Settlement also resolves the claims against Microsoft in the Quebec action *Gabriel Bourgeois v. Microsoft Corporation and Microsoft Canada Inc.* (Superior Court, Action No. 500-06-001132-212, District of Montreal).

I. What is the Action about?

On July 26, 2023, the Action was commenced against Microsoft in the Court. The Action alleges that the Defendants breached the *Criminal Code*, RSC 1985, c C-46 and various consumer protection laws by offering random item loot boxes in some of their video games. The plaintiff sought to recover damages for himself and Class Members for alleged losses as a result of this conduct.

Loot boxes are a virtual, in-game item which players can redeem (or "open") to receive a randomized selection of further virtual items for use by players in or in connection with the game; such items include (but may not be limited to): simple customization options for a player's avatar or in-game character; game-changing equipment, new in-game abilities, character or equipment

upgrades or power-ups, or additional avatars/characters/equipment (with temporary or durable effects on gameplay, including relative to other players).

The Defendants deny these allegations and any unlawful conduct, wrongdoing or blame of any kind.

II. What are the terms of the Settlement?

The Settlement Agreement provides for two types of benefits to Class Members: (i) an automatic \$25 credit to the Xbox store; and (ii) a cash payment, which may be provided to Class Members after a claims process, as further explained below.

(i) The Credit Component

All Class Members who have registered Xbox member accounts who purchased randomized loot boxes will automatically receive \$25 CAD in credits from the Defendants for use at the Xbox Store.

(ii) The Cash Payment

Class Members may also make a claim for a Cash Payment by submitting a valid and complete Claim Form, which may be accessed by the link sent directly to the Class Member by email or through the Claim Form website, prior to the Claims Deadline.

Class Members will have 6 months from the date that the Notice of Settlement Approval and Claims Procedures is first published to submit a claim for Cash Payment.

Each Class Member may make a single (1) claim only, by submitting a Claim Form, even if the Class Member held more than one Xbox member account.

Each Class Member who submits a valid claim before the Claims Deadline will receive **an amount up to a maximum of \$20.00**. Under the terms of the settlement, the Defendants will fund the approved Cash Payments up to a maximum of \$500,000 CAD. Class Members with valid claims may receive less than \$20.00 each. This will be the case if the total value of claims made and approved by the Settlement Administrator is greater than \$500,000 CAD. In such case, the Settlement Administrator will pay each Class Member who timely submit a valid Claim Form a pro rata share of the \$500,000 CAD.

To receive this Cash Payment, Class Members must have a valid e-mail address and a bank account capable of receiving payments via Interac e-transfer, which is the only method for receiving the Cash Payment.

This Settlement resolves the Action for all Class Members as against Microsoft. If the Settlement is approved, a full release of all claims in the Action will be granted to Microsoft. This Settlement represents a resolution of disputed claims and Microsoft does not admit any wrongdoing or liability.

II. What are the fee arrangements?

Class Counsel will be seeking approval from the Court of legal fees, taxes and disbursements of an amount that does not exceed twenty five percent (25%) of the Credit Component and Cash Payments. The application for court approval of Class Counsel's fee will be heard at the same time as the application for court approval of the Settlement.

II. When will the Settlement approval be heard?

The Settlement remains subject to approval by the Court. An application for approval of the Settlement will be heard by the Court in the City of Vancouver, at 800 Smithe Street, on July 29, 2026 at **9:00 AM PT**. At this hearing, the Court will determine whether the Settlement is fair, reasonable and in the best interests of the Class Members.

Class Members who do not oppose the settlement are not required to appear at the approval hearings or take any other action at this time. Class Members who consider it desirable or necessary to seek the advice and guidance of their own lawyers may do so at their own expense.

At the approval hearings, the Court will consider objections to the Settlement by the Class Members if the objections are submitted in writing, by prepaid mail or email to the Class Counsel's address below postmarked **no later than Friday July 17, 2026**.

A written objection should include the following information:

- a) the objector's full name, current mailing address, telephone number, and email address;
- b) the reason why the objector believes that he/she is a Class Member;
- c) a brief statement of the nature of and reasons for the objection;
- d) whether the objector intends to appear at the hearing in person or by counsel, and, if by counsel, the name, address, telephone number, and email address of counsel; and
- e) a statement that the foregoing information is true and correct.

II. Questions about the Settlement?

This notice contains only a summary of the Settlement and Class Members are encouraged to review the complete Settlement Agreement. If there is a conflict between the provisions of this notice and the Settlement Agreement including the Schedules to the Settlement Agreement, the terms of the Settlement Agreement and/or the Court orders shall prevail. If you have questions that are not answered online, please contact Class Counsel, who can be reached at:

Slater Vecchio
PO Box 10445 Pacific Center North
18th Floor, Dunsmuir Street
Vancouver, BC V7Y 1K4

Phone: 1.844.523.8678

Email: MicrosoftClassActionSettlement@slatervecchio.com

III. What if I do not want to participate?

If you do not want to participate in the Action, you must complete and send an Opt-Out Form by **Friday July 17, 2026** (the “**Opt-Out Deadline**”) to Class Counsel at the addresses above.

If you opt-out by the Opt-Out Deadline, you may be able to bring your own lawsuit against Microsoft, but you will not be entitled to participate in the Settlement.

Opt-Out Forms are available at <https://slatervecchio.com/class-action/microsoft-loot-boxes-settlement/> or by contacting Class Counsel at the contact information provided above. All Class Members will be bound by the terms of the Settlement, unless they opt-out of this Class Action.

This notice is given to you on the basis that you may be a Class Member whose rights could be affected by the Action. This notice should not be understood as an expression of any opinion of the Courts as to the merits of any claim or defences asserted in the Action. Its sole purpose is to inform you of the Action so that you may decide what steps to take in relation to it.

INQUIRIES SHOULD NOT BE DIRECTED TO THE COURTS.

**THIS NOTICE HAS BEEN APPROVED BY THE SUPREME COURT OF
BRITISH COLUMBIA**