

**DISTRICT COURT FOR THE STATE OF MINNESOTA, HENNEPIN COUNTY**

**Consumers and Businesses May Claim  
Microsoft Settlement Benefits**

*A court authorized this notice. This is not a solicitation from a lawyer.*

- The settlement will provide up to \$174.5 million of vouchers that people and businesses can use toward the purchase of desktop, laptop or tablet computers, printers, scanners, monitors, keyboards, pointing devices (e.g. a mouse or trackball) and generally available software made by any manufacturer. The settlement applies to consumers and businesses that acquired Microsoft Windows, MS-DOS, Office, Word, Excel, Works Suite or Home Essentials from and including May 18, 1994, and through March 17, 2003 for use in Minnesota.
- The settlement will resolve private lawsuits about whether Microsoft violated Minnesota antitrust and unfair competition laws.
- Your legal rights are affected whether you act or do not act. Read this notice carefully.

**YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:**

**Submit a Claim**—This is the only way to get settlement benefits— vouchers that can be redeemed for cash after the purchase of computer hardware or software.

**Exclude Yourself**—Get no vouchers but retain rights.

**Object**—Write to the Court if you do not like the settlement or the request for attorneys' fees or expenses.

**Go to a Hearing**—Ask to speak in Court about the fairness of the settlement or attorneys' fees or expenses.

**Do Nothing**—Get no vouchers. Give up rights.

- These rights and options—**and the deadlines to exercise them**—are explained in this notice.
- The Court in charge of this case has granted preliminary approval of the settlement but still has to decide whether to grant final approval. Vouchers will be distributed after the Court grants final approval of the settlement and any appeals are resolved.

## BASIC INFORMATION

### 1. Why was this notice issued?

The Court issued this notice because you have a right to know about your options in connection with a proposed settlement of a class action lawsuit that the Court has preliminarily approved. After the Court grants final approval and any appeals are resolved, valuable benefits will be distributed to those who submit their Claim Forms on or before **February 20, 2005**. This deadline might be extended. This notice explains the lawsuit, the settlement, your legal rights, what benefits are available, who is eligible for them, and how to claim them.

Judge Bruce A. Peterson of the Hennepin County District Court in Minneapolis, Minnesota, is in charge of the cases, *Gordon v. Microsoft Corp.*, No. MC 00-5994, and *Uglem v. Microsoft Corp.*, No. MC 03-4162, hereinafter referred to as *Gordon v. Microsoft*. The people who sued are called Plaintiffs and the company they sued, Microsoft Corporation (“Microsoft”), is called the Defendant.

### 2. What is this lawsuit about?

Lawsuits filed in Minnesota claim that Microsoft violated Minnesota’s antitrust and unfair competition laws and thereby overcharged consumers for certain of its operating system, word processing and spreadsheet software. Microsoft does not admit that it did anything wrong and contends that it developed and sold high quality and innovative software at fair and reasonable prices.

As part of the settlement, Microsoft has agreed to provide vouchers worth up to \$174.5 million to the Minnesota consumers of its software and, if less than the full amount of the settlement is claimed, to Minnesota public schools that are most in need of the vouchers under a program to be approved by the Court. Additionally, the settlement provides for \$2.5 million in cash and \$2.5 million in vouchers to the University of Minnesota for technology development purposes and \$2.5 million in cash to the Minnesota Legal Aid Society.

### 3. Why is this a class action?

In a class action, one or more person(s) or business(es) called Class Representatives sue on behalf of those with similar claims. All of these people and businesses together are called a Class or Class Members. One court resolves the issues for all Class Members, except for those who ask to be excluded from the Class.

### 4. Why is there a settlement?

The Court did not decide in favor of the Plaintiffs or Microsoft. Instead, both sides agreed to a settlement. That way they avoid the uncertainty and cost of trial and those included in the Class will get an opportunity to receive vouchers. The Class Representatives and the attorneys appointed by the Court to represent the Class believe the settlement is best for all Class Members.

## WHO IS IN THE SETTLEMENT

### 5. How do I know if I am part of the settlement?

You are entitled to settlement benefits if you are within either of the following groups:

- (1) All persons or entities who, from and including May 18, 1994 through March 17, 2003, indirectly acquired a license for “Microsoft Windows operating system software or MS-DOS operating system software” for use in the State of Minnesota and who did not acquire it for the purpose of resale.

- (2) All persons or entities who, from and including May 18, 1994 through March 17, 2003, indirectly acquired a license for Microsoft “Word” word processing software and/or “Excel” spreadsheet software compatible with “Windows operating system software or MS-DOS operating system software” for use in the State of Minnesota and who did not acquire it for the purpose of resale.

You “indirectly acquired” Microsoft software if you legally acquired your software, or a computer on which that software was already installed, from a person or entity other than Microsoft. For example, if you acquired your Microsoft software directly from a computer manufacturer or a retailer, you indirectly acquired your software. Government entities, Microsoft officers and directors, subsidiaries in which Microsoft has greater than a 50% ownership interest and any judges or justices assigned to hear any aspect of this litigation are not included in this Class.

If you are not sure whether you are included in the Class, you may call the toll-free number 1-800-928-1638 or write to the lawyers appointed to represent the members of the class at Class Counsel, P.O. Box 581306, Minneapolis, MN 55458-1306. DO NOT CALL THE COURT.

## THE SETTLEMENT BENEFITS - WHAT YOU GET

### 6. What does the settlement provide?

The settlement provides up to \$174.5 million in vouchers to Class Members, which can be used for purchases **made after July 1, 2004** of any brand of qualifying computer hardware or software described below (see Question 11). If less than \$174.5 million provided by the settlement is claimed by consumers, one-half of the remaining amount will be distributed as vouchers to Minnesota’s public schools that are most in need of the vouchers under a program to be approved by the Court.

### 7. How much will the vouchers be worth?

You may submit claims for each copy of the software products listed below which you lawfully obtained between May 18, 1994, and March 17, 2003, for use in the State of Minnesota. Businesses who licensed their software on a “volume” basis are entitled to submit claims for each computer their volume license authorizes them to use in conjunction with the Microsoft software listed below. Software upgrades count as a separate purchase unless you are a business with an “Enterprise” license. The vouchers are worth:

- \$15 each for Microsoft’s “Windows” or “MS-DOS” operating system software
- \$23 each for Microsoft’s “Office” productivity suite software
- \$9 each for Microsoft’s “Word” word processing software (including versions of “Home Essentials” and “Works Suite” that contain “Word”)
- \$23 each for Microsoft’s “Excel” spreadsheet software
- Note: You cannot make a claim for Microsoft software that was purchased for use on Apple computers or for Microsoft operating systems used on computer servers.

## HOW TO GET VOUCHERS - SUBMITTING A CLAIM FORM

### 8. How can I get vouchers?

**To qualify for vouchers, you must fill out and submit a claim on time.** If your claim is for 5 or fewer licenses and does not exceed \$100, you can complete and mail a Standard Claim Form, and do not have to provide any additional documents or proof about your software.

If you have more than 5 licenses or \$100 in claims and your software was not acquired through a volume license program (e.g. “Open,” “Select,” or “Enterprise” licenses), you can also use a [Standard Claim Form](#), but you will need to provide additional information for purchases over the initial 5 or claims of \$100 or more.

The enclosed Standard Claim Form contains instructions about how to fill it out. Completed Claim Forms must be postmarked on or before **February 20, 2005**. This deadline might be extended. You can get additional copies at [www.microsoftMNsettlement.com](http://www.microsoftMNsettlement.com) or by calling 1-800-928-1638 or writing to the address below. Read the instructions carefully, fill out the Standard Claim Form completely, and mail it postmarked on or before **February 20, 2005**, to:

Settlement Claims Administrator  
Microsoft - Minnesota Settlement  
P.O. Box 202  
Minneapolis, MN 55440-0202

Claims may be audited and persons or companies that file false or fraudulent claims will be prosecuted to the full extent of the law.

If you acquired your software through a volume license program, you need to complete a [Volume License Claim Form](#).

## **9. Can I make a claim on the Internet?**

**Yes, at [www.microsoftMNsettlement.com](http://www.microsoftMNsettlement.com).** If your claim is for 5 or fewer licenses and does not exceed \$100, you can submit your claim at [www.microsoftMNsettlement.com](http://www.microsoftMNsettlement.com) (click on “File a Claim On-line”). To submit your claim on-line, you will need to provide the Product Identification Numbers for your Microsoft products. Your claim must be submitted on or before **February 20, 2005**. Instructions on how to locate your Product Identification Number(s) are available on the Web site.

## **10. When will I get the vouchers and how and when can I use them?**

Vouchers will be mailed to Class Members shortly after the Court grants “final approval” to the settlement and any appeals are resolved. Judge Peterson is scheduled to consider final approval at a hearing on **October 22, 2004**. You can redeem your vouchers for cash by submitting proof of your purchase of qualifying products (listed in answer to Question 11 below) either with your Claim Form or your voucher to the Settlement Claims Administrator. The Settlement Claims Administrator will send you a check for the amount you redeemed and keep track of any remaining value on the voucher for your use in making future purchases. Your voucher will explain the redemption procedure in more detail. Once the vouchers are issued, they can be used for up to four years.

## **11. What can I buy with the vouchers?**

You can redeem your vouchers for all or part of the price you paid for any purchases you make after **July 1, 2004** of the following computer products: Any desktop, laptop, or tablet computers made by any manufacturer for any operating system platform, or any of the following devices: printers, scanners, monitors, keyboards, or pointing devices (e.g. mouse, trackball). Qualifying software includes any non-custom software offered by any software vendor for use on a desktop, laptop or tablet computer. **The qualifying computer hardware or software does not have to be a Microsoft product.** Personal Digital Assistants (PDAs), computer servers, server software and custom software are excluded from the products that may be obtained through the settlement. Class members whose total claim is \$950 or more may use vouchers for printers, scanners, monitors, keyboards and pointing devices only in connection with the purchase of a computer. More than one voucher can be used for a single purchase.

## **12. What if I have a volume license claim for Microsoft software?**

A “volume license” is a license issued under Microsoft’s “Open,” “Select” or “Enterprise” license programs. Included on the Volume License Claim Form are directions that explain the information needed to verify volume license claims. The directions also tell you how to find the necessary license information on-line using Microsoft’s own volume license records. Microsoft’s records may not be complete so you will also want to verify them with your own records, if possible. You may also require Microsoft to search its records for your volume license information by checking a box on your Volume Claim Form. A special toll-free number is also available to help volume licensees get a password and other authorization information needed to access these online volume license records. Call 1-800-928-1638 and press 9 for more information.

## **13. Can I donate or sell my vouchers to someone else?**

Up to \$650 of vouchers that a Class Member receives can be donated or sold to other persons or organizations provided they intend to use the vouchers or products acquired with the vouchers for their own personal or business use. The vouchers can only be transferred once. A person, business or charity may not redeem more than \$10,000 in transferred vouchers.

## **14. How will the settlement help Minnesota schools?**

If the total amount of vouchers issued to Class Members is less than \$174.5 million, vouchers worth one-half of the remainder will be distributed to public schools in Minnesota that are most in need of the vouchers under a program to be approved by the Court. Additionally, 100% of the value of vouchers issued to Class Members but not redeemed by them will be issued to such schools in the same form.

## **15. What happens if I exclude myself from the settlement?**

If you ask to be excluded, you will not get any vouchers and you cannot object to the settlement. You will not be legally bound by anything that happens in this lawsuit. Excluding yourself is the only way to keep any right to sue Microsoft, or continue as a Class Member in any other class action against Microsoft, for the claims that this settlement resolves.

If you exclude yourself, do not submit a claim form to ask for vouchers. If you submit a claim form, or do nothing, you will agree to release and discharge Microsoft as described below in Question 17, and you will be releasing Microsoft of all claims described below with respect to Microsoft’s conduct, acts, or omissions that occurred up to March 17, 2003.

## **16. How do I ask to be excluded?**

To ask to be excluded from the settlement, you must send a letter by mail saying that you want to be excluded from *Gordon v. Microsoft*. Be sure to include your name, address, telephone number and signature. You must mail your exclusion request so that it is postmarked on or before **October 4, 2004** to:

Settlement Claims Administrator  
Microsoft – Minnesota Settlement  
P.O. Box 202  
Minneapolis, MN 55440-0202

**YOU CANNOT ASK TO BE EXCLUDED ON THE PHONE OR ON THE WEB SITE.**

## 17. What claims against Microsoft am I releasing?

When the settlement becomes final—even if you do not claim vouchers—you will be releasing Microsoft from liability for all claims associated with this case and you will be bound by the release in the Settlement Agreement available at [www.microsoftMNsettlement.com](http://www.microsoftMNsettlement.com) or by calling the toll-free number 1-800-928-1638. The release in full states:

“Upon Final Approval [of the settlement], each member of the Minnesota Class hereby expressly and irrevocably waives and fully, finally and forever settles and releases all claims, demands, actions, suits and causes of action against Microsoft and/or its directors, officers, employees, attorneys, insurers or agents, whether known or unknown, asserted or unasserted, that any member of the Minnesota Class ever had, could have had, now has or hereafter can, shall or may have, relating in any way to any conduct, act or omission which was or could have been alleged in any of the cases listed on Appendix A [of the settlement agreement, *Gordon v. Microsoft Corp.*, MC 00-5994, and *Uglen v. Microsoft Corp.*, MC 03-4162] and which arise from or relate to the purchase, use and/or acquisition of a license for a Microsoft Operating System and/or Microsoft Application and where the claims, demands, actions, suits or causes of action concern or relate to any of the following: (a) antitrust (including without limitation the Sherman Antitrust Act, 15 U.S.C. §§ 1 *et seq.*, and the Minnesota Antitrust Law, Minn. Stat. § 325D.49 *et seq.*), (b) unfair competition, (c) unfair practices, (d) price discrimination, (e) trade regulation, (f) trade practices, and/or (g) other federal or state law, regulation or common law similar or analogous to any of the above. This Release does not include (a) claims relating to the acquisition or licensing of Microsoft Operating System or Microsoft Application software for use outside of Minnesota, (b) claims arising from purchases directly from Microsoft Corporation of licenses for Microsoft Operating System or Microsoft Applications software or (c) claims by competitors of Microsoft in their capacity as competitors. This Release does not include claims relating to Microsoft’s conduct, acts or omissions that take place after March 17, 2003. However, class members hereby release any and all claims described above relating to Microsoft’s conduct, acts or omissions that occurred on prior to March 17, 2003.

In addition, . . . each member of the Minnesota Class hereby expressly and irrevocably waives and fully, finally and forever settles and releases, upon Final Approval [of the settlement], any and all defenses, rights and benefits that the class member may have or that may be derived from the provisions of applicable law which, absent such waiver, may limit the extent or effect of the release [set forth above].”

## 18. Can I participate in another lawsuit against Microsoft?

Unless you ask to be excluded from the Class, you can not sue, continue to sue, or be part of any other lawsuit against Microsoft for the claims which this settlement resolves.

Your release of Microsoft is quoted in full, in answer to Question 17 above. As a consequence of this settlement, you are releasing Microsoft of all claims described in the release with respect to Microsoft’s conduct, acts or omissions that occurred on or prior to March 17, 2003, including claims for purchases made of Microsoft products, or computers on which Microsoft products were already installed, after March 17, 2003. The release does not include any claims relating to Microsoft’s conduct, acts or omissions that take place after March 17, 2003.

Other lawsuits have been and might in the future be filed against Microsoft based upon the same conduct that is alleged here, seeking recovery of overcharge damages in connection with the purchase of Microsoft products after March 17, 2003. Your right to participate in any such lawsuits could be affected by the Court’s final approval of this settlement. All of the Court’s orders will apply to you and legally bind you.

## LAWYERS REPRESENTING YOU

### 19. Do I have a lawyer in this case?

The Court appointed the law firms of Zelle, Hofmann, Voelbel, Mason & Gette, LLP of Minneapolis, Minnesota and Kirby McInerney & Squire, LLP of New York, New York, to represent you and other Class Members as lead "Class Counsel." If you want to be represented by your own lawyer, you may hire one at your own expense.

### 20. How will the lawyers be paid?

Class Counsel will seek an award of attorneys' fees not to exceed \$59.4 million plus expenses and request \$5,000 for the Class Representatives. Fee applications are due July 21, 2004. Lead Counsel and Microsoft will attempt to negotiate the amount of attorneys' fees and expenses to be paid by Microsoft and, if they cannot agree, Microsoft will oppose Class Counsel's request. The Court will evaluate Class Counsel's request and award those fees and expenses it concludes are reasonable. Microsoft will pay the fees and expenses that the Court awards in addition to the vouchers of up to \$174.5 million it has agreed to issue to you and other Class Members and to the public schools. The amount paid to Class Counsel will not reduce the number or value of the vouchers distributed to Class Members or schools. Microsoft will also pay reasonable attorneys' fees and costs to administer the settlement.

## OBJECTING TO THE SETTLEMENT OR ATTORNEYS' FEES

### 21. How do I tell the Court that I don't like the settlement or the attorneys' fee request?

If you are a Class Member, you can object to the settlement, including the amount of Class Counsel's attorneys' fees and expenses. The Court will consider your views. To object, you must send a letter saying that you object to the settlement in *Gordon v. Microsoft*. Be sure to include the case number (MC 00-5994), your name, address, telephone number, your signature, and the reasons why you object. Send the objection to these three different places so that it is filed with the Court and served by mail on Class Counsel and Defense Counsel by **October 4, 2004** to:

#### **COURT**

Court Administrator  
Attn: MC 00-5994  
Hennepin County Government Center  
300 South 6<sup>th</sup> Street  
Minneapolis, MN 55487-0421

#### **CLASS COUNSEL**

Richard Hagstrom  
ZELLE, HOFMANN, VOELBEL, MASON & GETTE, LLP  
P.O. Box 581306  
Minneapolis, MN 55458-1306

#### **DEFENSE COUNSEL**

David Tulchin  
SULLIVAN & CROMWELL, LLP  
125 Broad Street  
New York, NY 10004-2498

## THE COURT'S FAIRNESS HEARING

### 22. When and where will the Court decide whether to grant final approval of the settlement?

The Court has scheduled a hearing at 9:00 a.m. on **October 22, 2004**, at the Hennepin County Government Center, 300 South 6<sup>th</sup> Street, Minneapolis, MN 55487. At this hearing, the Court will consider whether the settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them. The Court may also decide how much to pay to Class Counsel. After the hearing, the Court will decide whether to grant final approval of the settlement.

### 23. May I speak at the hearing?

You are welcome to come to the hearing at your own expense. If you send a written objection, you do not have to come to Court. As long as you send your written objection so that it arrives on time, the Court will consider it. You may also pay your own lawyer to attend, but it's not necessary. You may ask the Court for permission to speak at the Fairness Hearing. To do so, you must send a letter saying that it is your "Notice of Intention to Appear in *Gordon v. Microsoft*." Be sure to include the case number (MC 00-5994), your name, address, telephone number, and signature. This letter must be received no later than **October 4, 2004**, and be sent to the Clerk of the Court, Class Counsel, and Defense Counsel at the addresses in Question 21.

## WHAT HAPPENS IF I DO NOTHING?

### 24. What happens if I do nothing?

If you do nothing, you will not get any vouchers from this settlement. Also, unless you ask to be excluded from the Class, you will not be able to start a lawsuit, continue a lawsuit or be part of any other lawsuit against Microsoft, concerning the claims which this settlement resolves. See questions 17 and 18 for a full description of the claims this settlement will release.

## GETTING MORE INFORMATION

### 25. How do I get more information about the settlement?

This notice summarizes the proposed settlement. More details are in a Settlement Agreement that can be reviewed at [www.microsoftMNsettlement.com](http://www.microsoftMNsettlement.com), or by calling the toll-free number 1-800-928-1638. You may also write with questions to Class Counsel, P.O. Box 581306, Minneapolis, MN 55458-1306.

You can get a Claim Form at [www.microsoftMNsettlement.com](http://www.microsoftMNsettlement.com), or by calling the toll-free number. Microsoft employees cannot answer questions about this settlement.

Dated: July 6, 2004