

SUPERIOR COURT OF THE STATE OF CALIFORNIA  
COUNTY OF MARIN

IN RE SONIC SOLUTIONS  
SHAREHOLDER LITIGATION

Case No. CIV1100011

Judge: Hon. Lynne Duryee

**NOTICE OF PROPOSED SETTLEMENT AND HEARING**

TO: ALL RECORD HOLDERS AND BENEFICIAL OWNERS OF SHARES OF COMMON STOCK OF SONIC SOLUTIONS AT ANY TIME FROM AND INCLUDING DECEMBER 22, 2010 THROUGH AND INCLUDING FEBRUARY 17, 2011, AND THEIR RESPECTIVE FAMILIES, ASSOCIATES, ATTORNEYS, ADVISORS, HEIRS, EXECUTORS, TRUSTEES, PERSONAL OR LEGAL REPRESENTATIVES, ESTATES, ADMINISTRATORS, AGENTS, PREDECESSORS, SUCCESSORS, AND ASSIGNS, IMMEDIATE OR REMOTE, AND ANY PERSON OR ENTITY ACTING FOR OR ON BEHALF OF, OR CLAIMING UNDER ANY OF THEM, AND EACH OF THEM.

YOU ARE HEREBY NOTIFIED that a settlement has been proposed in the above-captioned case ("Settlement").

**Settlement Hearing.** A hearing will be held on February 7, 2012, at 9:00 a.m., before the Hon. Lynne Duryee ("Settlement Hearing"), in the Superior Court of the State of California, County of Marin, 3501 Civic Center Drive, Department L, San Rafael, California, 94903 ("Court"), to determine whether: (1) the provisional class action certification granted by the Court on December 7, 2011 should be made final; (2) the proposed Settlement should be approved as fair, reasonable, adequate, and in the best interests of the Class; (3) Plaintiffs' Counsel's application for an award of attorneys' fees, expenses, and costs should be approved; (4) an Order and Final Judgment should be entered, dismissing with prejudice and releasing all claims against the Defendants relating to the conduct alleged in this case; and (5) the Court should rule on such other matters as it deems appropriate. If approved, the Settlement will resolve all claims in this litigation and all other related claims.

**Explanation of the Case.** On December 22, 2010, Sonic Solutions ("Sonic" or the "Company") and Rovi Corporation ("Rovi") announced a proposed merger (the "Proposed Acquisition") in which Rovi would acquire all of the outstanding stock of Sonic (and Sonic would become a wholly-owned subsidiary of Rovi) for either \$14.00 in cash or 0.2489 shares of Rovi common stock in exchange for each share of Sonic common stock, such that the aggregate consideration paid consisted of 55% cash and 45% Rovi common stock (the "Acquisition"). In January 2011, Plaintiffs Vassil Vassilev, Matthew J. Barnes, Mark Chropufka, and Diana Willis initiated similar proposed class actions in Marin County Superior Court on behalf of all shareholders of Sonic against Sonic, Rovi, a subsidiary of Rovi, and the members of Sonic's board of directors, challenging the Acquisition, seeking injunctive relief, and alleging, inter alia, that the individual Defendants breached their fiduciary duties by agreeing to the merger, including the merger consideration and structure, and by failing to adequately disclose certain material information regarding the Acquisition in Sonic's Schedule 14D-9 Recommendation Statement (the "Actions").

Recognizing the time, expense, and uncertainty inherent in further litigation of these Actions, the Parties agreed to settle the Actions as detailed in the Parties' Stipulation of Settlement ("Stipulation"), which is on file with the Court and available at [www.faruqilaw.com](http://www.faruqilaw.com). Plaintiffs' entry into the Stipulation is not an admission that the claims in the Action lack merit. Defendants' entry into the Stipulation is not an admission that the claims in the Action have merit. Likewise, Defendants deny that they have committed, attempted to commit, or aided and abetted in the commission of any breach of fiduciary duty or duty of disclosure, that they engaged in any wrongful acts, that they have any liability to the Plaintiffs or the Settlement Class, or that any additional disclosures were required or material as a matter of law.

**Terms of Settlement.** In consideration for the Settlement and dismissal with prejudice of the Actions and the releases (described below), the Company filed with the Securities and Exchange Commission ("SEC") on January 31, 2011, an amendment to its 14D-9 Recommendation Statement, containing certain supplemental disclosures as agreed to by the Parties ("Additional Disclosures"). The Additional Disclosures are publicly available online with the SEC (at [www.sec.gov](http://www.sec.gov)) and are also attached as Exhibit A to the Stipulation, a copy of which is on file with the Court or available at [www.faruqilaw.com](http://www.faruqilaw.com).

**Release of Claims. ANY MEMBER OF THE CLASS WHO DOES NOT REQUEST EXCLUSION FROM THE SETTLEMENT, PURSUANT TO THE PROCEDURES DESCRIBED IN THIS NOTICE, WILL BE A MEMBER OF THE CLASS FOR PURPOSES OF THIS SETTLEMENT AND WILL BE BOUND BY ANY ORDER AND JUDGMENT OF THE COURT APPROVING THE SETTLEMENT AND DISMISSING THIS ACTION.** Specifically, upon Final Court Approval (as defined in the Stipulation), all claims or causes of action asserted by or on behalf of any member of the Settlement Class against Defendants and all Released Persons (as defined in the Stipulation) which have arisen or could have arisen, known and unknown, and which relate to the claims or allegations asserted by Plaintiffs in the Actions or relate in any way to the Acquisition will be completely and forever released. More information is contained in the Stipulation, a copy of which is on file with the Court or available at [www.faruqilaw.com](http://www.faruqilaw.com).

**Effect of Release.** The release contemplated by the Stipulation shall extend to claims that the Releasers (as defined in the Stipulation) do not know or suspect to exist at the time of the release, including claims which if known, might have affected their decision to enter into the release or to object or not to object to the Settlement. The Releasers shall be deemed to relinquish, to the extent applicable, and to the full extent permitted by law, the provisions, rights and benefits of Section 1542 of the California Civil Code, or comparable principle, which states that: A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR. More information is contained in the Stipulation, a copy of which is on file with the Court or available at [www.faruqilaw.com](http://www.faruqilaw.com).

**Plaintiffs' Attorneys' Fees.** If the Court approves the Settlement, Plaintiffs' Counsel intend to ask the Court for an award of attorneys' fees, expenses, and costs in the amount of \$520,000.00, subject to the Court's approval. Defendants do not object to Plaintiffs' Counsel's request for attorneys' fees. The Court's final resolution of Plaintiffs' Counsel's fee application shall not be a precondition to dismissal of the Actions, and shall have no effect on the terms of the Settlement.

**Objections.** Any member of the Class who objects to the Settlement or who otherwise wishes to be heard, may appear in person or by his attorney at the Settlement Hearing and present evidence or argument; provided, however, that, except for good cause shown, no person shall be heard and no documents submitted by any person shall be considered by the Court unless, no later than twenty-one (21) calendar days prior to the Settlement Hearing, that person files with the Court and serves upon Plaintiff's Counsel listed below: (a) written notice of intention to appear; (b) a statement of such person's objections to any matters before the Court, and (c) the grounds for such objections and the reasons that such person desires to appear and be heard, as well as all documents or writings such person desires the Court to consider. Such filings shall be served upon the following counsel: FARUQI & FARUQI LLP, Juan Monteverde, and Vahn Alexander, 1901 Avenue of the Stars, 2nd Floor, Los Angeles, California 90067, Telephone (310) 461-1426, Facsimile (310) 461-1427.

Unless the Court otherwise directs, no person shall be entitled to object to the approval of the Settlement, and judgment entered thereon, the adequacy of representation of the Settlement Class by Plaintiffs and Plaintiffs' Counsel, any award of attorneys' fees, or otherwise be heard, except by serving and filing a written objection and supporting documents as described above. Any person who fails to object in the manner described above shall be deemed to have waived the right to object (including any right of appeal) and shall be forever barred from raising such objection in this or any other action or proceeding. More information is contained in the Stipulation on file with the Court or available at [www.faruqilaw.com](http://www.faruqilaw.com).

**Requests for Exclusion. ANY MEMBER OF THE CLASS MAY, UPON REQUEST, BE EXCLUDED FROM THE SETTLEMENT. ANY SUCH PERSON MUST SUBMIT TO PLAINTIFFS' COUNSEL (FARUQI & FARUQI LLP) A WRITTEN REQUEST FOR EXCLUSION ("REQUEST FOR EXCLUSION") POSTMARKED NO LATER THAN January 17, 2012.** A Request for Exclusion must be signed by the person requesting exclusion and state: (i) the name, address, and telephone number of the person requesting exclusion; (ii) that the person wishes to be excluded from the Settlement Class, and (iii) the number of shares of Sonic common stock owned at any time between December 22, 2010 through February 17, 2011 by the person requesting exclusion. All persons who submit valid and timely Requests for Exclusion in the manner set forth in this paragraph shall have no rights under the Stipulation. More information is contained in the Stipulation, a copy of which is on file with the Court or available at [www.faruqilaw.com](http://www.faruqilaw.com).

By Order of the Court