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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

CITY OF WESTLAND POLICE AND FIRE)
RETIREMENT SYSTEM and PLYMOUTH)
COUNTY RETIREMENT SYSTEM, On)
Behalf of Themselves and All Others Similarly)
Situating,)

Plaintiffs,)

vs.)

SONIC SOLUTIONS, et al.,)

Defendants.)

No. C 07-05111-CW

CLASS ACTION

[PROPOSED] ORDER PRELIMINARILY
APPROVING SETTLEMENT AND
PROVIDING FOR NOTICE

1 WHEREAS, a class action is pending before the Court entitled *City of Westland Police and*
2 *Fire Retirement System and Plymouth County Retirement System v. Sonic Solutions*, No. C 07-
3 05111-CW (the “Litigation”);

4 WHEREAS, the Court has received the Stipulation of Settlement dated as of October 12,
5 2009 (the “Stipulation”), that has been entered into by the Lead Plaintiffs and Defendants, and the
6 Court has reviewed the Stipulation and its attached Exhibits;

7 WHEREAS, the parties having made application, pursuant to Federal Rule of Civil
8 Procedure 23(e), for an order preliminarily approving the Settlement of this Litigation, in accordance
9 with the Stipulation which, together with the Exhibits annexed thereto, sets forth the terms and
10 conditions for a proposed Settlement of the Litigation and for dismissal of the Litigation with
11 prejudice upon the terms and conditions set forth therein; and the Court having read and considered
12 the Stipulation and the Exhibits annexed thereto; and

13 WHEREAS, all defined terms contained herein shall have the same meanings as set forth in
14 the Stipulation;

15 NOW, THEREFORE, IT IS HEREBY ORDERED:

16 1. The Court does hereby preliminarily approve the Stipulation and the Settlement set
17 forth therein, subject to further consideration at the Final Approval Hearing described below.

18 2. A hearing (the “Final Approval Hearing”) shall be held before this Court on February
19 18, 2010, at 2:00 p.m., at the United States Courthouse, 1301 Clay Street, Oakland California, to
20 determine whether the proposed Settlement of the Litigation on the terms and conditions provided
21 for in the Stipulation is fair, reasonable and adequate to the Settlement Class and should be approved
22 by the Court; whether a Judgment as provided in ¶1.13 of the Stipulation should be entered herein;
23 whether the proposed Plan of Allocation should be approved; and to determine the amount of fees
24 and expenses that should be awarded to Lead Counsel. The Court may adjourn the Final Approval
25 Hearing without further notice to Members of the Settlement Class.
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1 3. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, the Court preliminarily
2 certifies, for purposes of effectuating this Settlement, a Settlement Class of all Persons who
3 purchased or otherwise acquired Sonic publicly traded securities during the period from and
4 including October 23, 2002 and May 17, 2007. Excluded from the Settlement Class are Defendants,
5 any entity in which any Defendant has or had a controlling interest or that is a parent or subsidiary or
6 is controlled by any Defendant, Defendants' officers and directors, including any person who was an
7 officer or director during the Settlement Class Period, Defendants' affiliates, legal representatives,
8 heirs, predecessors, successors or assigns, and members of Defendants' immediate families. Also
9 excluded from the Settlement Class are those Persons who timely and validly request exclusion from
10 the Settlement Class pursuant to the Notice of Pendency and Proposed Settlement of Class Action.

11
12 4. With respect to the Settlement Class, this Court preliminarily finds for purposes of
13 effectuating this Settlement that (a) the Members of the Settlement Class are so numerous that
14 joinder of all Settlement Class Members in the class action is impracticable; (b) there are questions
15 of law and fact common to the Settlement Class which predominate over any individual questions;
16 (c) the claims of the Lead Plaintiffs are typical of the claims of the Settlement Class; (d) the Lead
17 Plaintiffs and Lead Counsel have fairly and adequately represented and protected the interests of all
18 of the Settlement Class Members; and (e) a class action is superior to other available methods for the
19 fair and efficient adjudication of the controversy, considering: (i) the interests of the Members of the
20 Settlement Class in individually controlling the prosecution of the separate actions; (ii) the extent
21 and nature of any litigation concerning the controversy already commenced by Members of the
22 Settlement Class; (iii) the desirability or undesirability of continuing the litigation of these claims in
23 this particular forum; and (iv) the difficulties likely to be encountered in the management of the class
24 action.
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1 5. The Court approves, as to form and content, the Notice of Pendency and Proposed
2 Settlement of Class Action (the “Notice”), the Proof of Claim and Release form (the “Proof of
3 Claim”), and Summary Notice (“Summary Notice”) annexed as Exhibits A-1, A-2 and A-3 hereto,
4 and finds that the mailing and distribution of the Notice and publishing of the Summary Notice
5 substantially in the manner and form set forth in ¶¶6-7 of this Order meet the requirements of
6 Federal Rule of Civil Procedure 23 and due process, and is the best notice practicable under the
7 circumstances and shall constitute due and sufficient notice to all Persons entitled thereto.
8

9 6. Pursuant to Rule 53(c) of the Federal Rules of Civil Procedure, the Court appoints
10 Gilardi & Co. LLC (“Claims Administrator”) to supervise and administer the notice procedure as
11 well as the processing of claims as more fully set forth below:

12 (a) Not later than December 22, 2009 (the “Notice Date”), Lead Counsel shall
13 cause a copy of the Notice and the Proof of Claim, substantially in the forms annexed as Exhibits A-
14 1 and A-2 hereto, to be mailed by first class mail to all Settlement Class Members who can be
15 identified with reasonable effort;

16 (b) Not later than December 23, 2009 Lead Counsel shall cause the Summary
17 Notice to be published once in *Investor’s Business Daily*;

18 (c) Not later than December 23, 2009 Lead Counsel shall cause the Stipulation
19 and its Exhibits to be posted on the following website: www.gilardi.com; and
20

21 (d) On or before January 21, 2010 Lead Counsel shall cause to be served on
22 Defendants’ counsel and filed with the Court proof, by affidavit or declaration, of such mailing and
23 publishing.
24

25 7. Nominees who purchased or otherwise acquired Sonic publicly traded securities
26 between October 23, 2002 and May 17, 2007; inclusive, shall send the Notice and the Proof of Claim
27 to all beneficial owners of such Sonic securities within ten (10) days after receipt thereof, or send a
28

1 list of the names and addresses of such beneficial owners to the Claims Administrator within ten (10)
2 days of receipt thereof, in which event the Claims Administrator shall promptly mail the Notice and
3 the Proof of Claim to such beneficial owners. Lead Counsel shall, if requested, reimburse banks,
4 brokerage houses or other nominees solely for their reasonable out-of-pocket expenses incurred in
5 providing notice to beneficial owners who are Settlement Class Members out of the Settlement Fund,
6 which expenses would not have been incurred except for the sending of such notice, subject to
7 further order of this Court with respect to any dispute concerning such compensation.
8

9 8. All Members of the Settlement Class shall be bound by all determinations and
10 judgments in the Litigation concerning the Settlement, whether favorable or unfavorable to the
11 Settlement Class.

12 9. Settlement Class Members who wish to participate in the Settlement shall complete
13 and submit Proof of Claim forms in accordance with the instructions contained therein. Unless the
14 Court orders otherwise, all Proof of Claim forms must be postmarked no later than ninety (90) days
15 from the Notice Date. Any Settlement Class Member who does not timely submit a Proof of Claim
16 within the time provided for shall be barred from sharing in the distribution of the proceeds of the
17 Net Settlement Fund, unless otherwise ordered by the Court or allowed by the Stipulation.
18

19 10. Any Person who desires to request exclusion from the Settlement Class shall do so
20 within the time set forth and in the manner described in the Notice. All Persons who submit valid
21 and timely requests for exclusion in the manner set forth in the Notice shall have no rights under the
22 Stipulation, shall not share in the distribution of the Net Settlement Fund, and shall not be bound by
23 the Stipulation or the Judgment entered in the Litigation.
24

25 11. Any Member of the Settlement Class may enter an appearance in the Litigation, at
26 their own expense, individually or through counsel of their own choice. If they do not enter an
27 appearance, they will be represented by Lead Counsel.
28

1 12. Any Settlement Class Member may appear and show cause, if he, she or it has any
2 reason, why the proposed Settlement of the Litigation should or should not be approved as fair,
3 reasonable and adequate, why a judgment should or should not be entered thereon, why the Plan of
4 Allocation should or should not be approved, or why attorneys' fees and expenses should or should
5 not be awarded to Lead Counsel; provided, however, that no Settlement Class Member or any other
6 Person shall be heard or entitled to contest the approval of the terms and conditions of the proposed
7 Settlement, or, if approved, the Judgment to be entered thereon approving the same, or the order
8 approving the Plan of Allocation, or the attorneys' fees and expenses to be awarded to Lead Counsel,
9 unless that Person has filed said objections, papers and briefs with the Clerk of the United States
10 District Court for the Northern District of California, on or before February 4, 2010 and delivered
11 copies of any such papers to Coughlin Stoia Geller Rudman & Robbins LLP, Joy Ann Bull, 655 W.
12 Broadway, Suite 1900, San Diego, CA 92101 and to Sidley Austin LLP, Carol Lynn Thompson, 555
13 California Street, San Francisco, CA 94104, such that they are received on or before the same date.
14 Any Settlement Class Member who does not make his, her or its objection in the manner provided
15 shall be deemed to have waived such objection and shall forever be foreclosed from making any
16 objection to the fairness or adequacy of the proposed Settlement as set forth in the Stipulation, to the
17 Plan of Allocation, or to the award of attorneys' fees and expenses to Lead Counsel, unless
18 otherwise ordered by the Court.
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21 13. All funds held by the Escrow Agent shall be deemed and considered to be in *custodia*
22 *legis* of the Court, and shall remain subject to the jurisdiction of the Court, until such time as such
23 funds shall be distributed pursuant to the Stipulation and/or further order(s) of the Court.
24

25 14. All papers in support of the Settlement, the Plan of Allocation, and the application for
26 attorneys' fees or expenses shall be filed and served on or before January 21, 2010. Any reply
27 papers shall be filed and served on or before February 11, 2010.
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1 15. Neither the Defendants nor their Related Parties shall have any responsibility for or
2 liability with respect to the Plan of Allocation or any application for attorneys' fees or expenses
3 submitted by Lead Counsel, and such matters will be considered separately from the fairness,
4 reasonableness and adequacy of the Settlement.

5
6 16. At or after the Final Approval Hearing, the Court shall determine whether the Plan of
7 Allocation proposed by Lead Counsel, and any application for attorneys' fees or expenses shall be
8 approved.

9 17. All reasonable expenses incurred in identifying and notifying Settlement Class
10 Members, as well as administering the Settlement Fund, shall be paid as set forth in the Stipulation.
11 In the event the Settlement is not approved by the Court, or otherwise fails to become effective,
12 neither the Lead Plaintiffs nor Lead Counsel shall have any obligation to repay any amounts actually
13 and properly disbursed from the Settlement Fund, as provided in the Stipulation.

14
15 18. Neither the Stipulation, nor any of its terms or provisions, nor any of the negotiations
16 or proceedings connected with it, shall be construed as an admission or concession by Defendants of
17 the truth of any of the allegations in the Litigation, or of any liability, fault, or wrongdoing of any
18 kind and shall not be construed as, or deemed to be evidence of or an admission or concession that
19 Lead Plaintiffs or any Settlement Class Members have suffered any damages, harm, or loss.

20 19. In the event that the Settlement does not become effective in accordance with the
21 terms of the Stipulation or the Effective Date does not occur, or in the event that the Settlement
22 Fund, or any portion thereof, is returned to the Defendants, then this Order shall be rendered null and
23 void to the extent provided by and in accordance with the Stipulation and shall be vacated and, in
24 such event, all orders entered and releases delivered in connection herewith shall be null and void to
25 the extent provided by and in accordance with the Stipulation.
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1 20. The Court reserves the right to adjourn the date of the Final Approval Hearing
2 without further notice to the Members of the Settlement Class, and retains jurisdiction to consider all
3 further applications arising out of or connected with the proposed Settlement. The Court may
4 approve the Settlement, with such modifications as may be agreed to by the Settling Parties, if
5 appropriate, without further notice to the Settlement Class.
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7 DATED: _____

THE HONORABLE CLAUDIA WILKEN
UNITED STATES DISTRICT JUDGE

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16 Co-Lead Counsel for Plaintiffs

17 [Additional counsel appear on signature page.]

18 UNITED STATES DISTRICT COURT

19 NORTHERN DISTRICT OF CALIFORNIA

20 CITY OF WESTLAND POLICE AND FIRE) No. C 07-05111-CW
RETIREMENT SYSTEM and PLYMOUTH)
21 COUNTY RETIREMENT SYSTEM, On) CLASS ACTION
Behalf of Themselves and All Others Similarly)
22 Situated,) NOTICE OF PROPOSED SETTLEMENT OF
CLASS ACTION
23 Plaintiffs,)
24 vs.) EXHIBIT A-1
25 SONIC SOLUTIONS, et al.,)
26 Defendants.)

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1 ***IF YOU PURCHASED OR OTHERWISE ACQUIRED SONIC SOLUTIONS (“SONIC”)***
2 ***PUBLICLY TRADED SECURITIES BETWEEN OCTOBER 23, 2002 AND MAY 17, 2007, YOU***
3 ***COULD RECEIVE A PAYMENT FROM A CLASS ACTION SETTLEMENT.***

3 A federal court authorized this Notice. This is not a solicitation from a lawyer.

4 **Securities and Time Period:** Sonic common stock (CUSIP No. 835460106), Sonic put
5 options, and Sonic call options purchased or acquired between October 23, 2002 and May 17, 2007.

6 **Settlement Fund:** \$5,000,000 in cash. Your recovery will depend on the number and type
7 of Sonic securities purchased or acquired between October 23, 2002 and May 17, 2007, and the
8 timing of your purchases, acquisitions and any sales. If claims are submitted for 100% of the
9 eligible shares of Sonic common stock, the estimated average recovery per share of common stock
10 will be approximately \$0.19 before deduction of Court-approved fees and expenses. Available
11 information concerning the trading of options does not permit a useful estimate concerning the
12 recovery for options.

13 **Settlement Class:** The Court has preliminarily certified a Settlement Class of all purchasers
14 or acquirers of Sonic publicly traded securities between October 23, 2002 and May 17, 2007.
15 Excluded from the Settlement Class are Defendants, the officers and directors of Sonic, including
16 officers and directors during the Settlement Class Period, Defendants’ affiliates, members of
17 Defendants’ immediate families, and their legal representatives, heirs, predecessors, successors or
18 assigns and any entity in which any of the Defendants have or had a controlling interest or that is a
19 parent or subsidiary or is controlled by any Defendant. Also excluded from the Settlement Class are
20 those Persons who timely and validly request exclusion from the Settlement Class pursuant to this
21 Notice.

22 **Reasons for Settlement:** Avoids the costs and risks associated with continued litigation,
23 including the danger of no recovery, and provides a benefit to the Settlement Class now.

24 **If the Case Had Not Settled:** The settlement must be compared to the risk of no recovery
25 after contested motions, trial and likely appeals. A trial is a risky proposition and Lead Plaintiffs
26 might not have prevailed. The claims in this case involve numerous complex legal and factual issues
27 that would require extensive and costly expert testimony. Among the many key issues about which
28 the two sides do not agree are: (1) whether any of the Defendants violated the securities laws or

1 otherwise engaged in any wrongdoing; (2) whether the facts alleged by the Lead Plaintiffs were
2 material, false, misleading or otherwise actionable under the securities laws; (3) whether the various
3 facts alleged by the Lead Plaintiffs influenced the trading prices of Sonic securities during the
4 relevant period; (4) the method for determining whether Sonic securities were artificially inflated
5 during the relevant period; (5) the amount (if any) of such inflation; and (6) the amount of damages
6 (if any) that could be recovered at trial.

7 **Attorneys' Fees and Expenses:** Lead Counsel have not received any payment for their
8 work investigating the facts, conducting this litigation and negotiating the settlement on behalf of the
9 Lead Plaintiffs and the Settlement Class. Lead Counsel will ask the Court for attorneys' fees of 25%
10 of the Settlement Fund and expenses not to exceed \$210,000 to be paid from the Settlement Fund. If
11 the above amounts are requested and approved by the Court, the average cost per share of common
12 stock will be approximately \$0.055, making the estimated recovery per share after fees and expenses
13 \$0.135.

14 **Deadlines:**

15 Submit Claim: March 22, 2010
16 Request Exclusion: February 4, 2010
17 File Objection: February 4, 2010

18 **Court Hearing on Fairness of Settlement:** February 18, 2010

19 **More Information:** www.gilardi.com

20 Claims Administrator:	Lead Counsel:	Lead Counsel:
21 <i>Sonic Securities Litigation</i>	Rick Nelson	Colin Holmes
22 Claims Administrator	Shareholder Relations	-or- Labaton Sucharow LLP
23 c/o Gilardi & Co. LLC	Coughlin Stoia Geller	140 Broadway, 34th Floor
P.O. Box 8040	Rudman & Robbins LLP	New York, NY 10005
24 San Rafael, CA 94912-8040	655 West Broadway	
	Suite 1900	
	San Diego, CA 92101	

- 25
- 26 • Your legal rights are affected whether you act or don't act. Read this Notice carefully.

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

1 *Plymouth County Retirement System v. Sonic Solutions*, No. C 07-05111-CW. The pension funds
2 that sued are called the Lead Plaintiffs, and the company and the individuals they sued, Sonic,
3 Robert J. Doris, David C. Habiger, Mary C. Sauer, A. Clay Leighton, Mark Ely, Robert M. Greber,
4 Peter J. Marguglio and R. Warren Langley, are called the Defendants.

5 **2. What Is This Lawsuit About?**

6 This case was brought as a class action alleging that Defendants made false and misleading
7 statements and omissions between October 23, 2002 and May 17, 2007, about Sonic's true financial
8 and operational condition. The case asserts that the Defendants engaged in a practice of knowingly
9 backdating stock option grants to Sonic officers, directors and employees, thereby understating
10 compensation expense and overstating Sonic's reported earnings. On May 17, 2007, Sonic
11 announced it would restate previous financial statements which Plaintiffs contend caused Sonic's
12 stock price to drop. Lead Plaintiffs assert that Sonic's stock option backdating practices caused
13 damage to the Settlement Class. Defendants have denied and continue to deny that they did anything
14 wrong. Among other things, Defendants deny that stock option grants were back-dated at Sonic or
15 that Defendants knowingly misrepresented Sonic's financial results.

16 **3. Why Is This a Class Action?**

17 In a class action, one or more people called class representatives (in this case the Court-
18 appointed Lead Plaintiffs, City of Westland Police and Fire Retirement System and Plymouth
19 County Retirement System) sue on behalf of people who have similar claims. Here, all these people
20 are called the Settlement Class or Settlement Class Members. One court resolves the issues for all
21 Settlement Class Members, except for those who timely and validly exclude themselves from the
22 Settlement Class. Judge Claudia Wilken is in charge of this class action.

23 **4. Why Is There a Settlement?**

24 The Court did not decide in favor of the Lead Plaintiffs or Defendants. Instead, both sides
25 agreed to a settlement. That way, they avoid the cost and uncertainty of a trial, and eligible
26 Settlement Class Members who submit valid claims will receive compensation. The Lead Plaintiffs
27 and their attorneys think the settlement is best for all Settlement Class Members.
28

1 **WHO IS IN THE SETTLEMENT**

2 To see if you will receive money from this settlement, you first have to determine if you are a
3 Settlement Class Member.

4 **5. How Do I Know if I Am Part of the Settlement?**

5 The Settlement Class includes *all purchasers or acquirers of Sonic publicly traded*
6 *securities between October 23, 2002 and May 17, 2007.*

7 **6. What Are the Exceptions to Being Included?**

8 You are not a Settlement Class Member if you are a Defendant, an officer or director of
9 Sonic, including any Person who was an officer or director during the Settlement Class Period,
10 Defendants’ affiliates, a member of Defendants’ immediate families, a legal representative, heir,
11 successor or assign or an entity in which any Defendant has or had a controlling interest or that is a
12 parent or subsidiary or is controlled by any Defendant. You are also not a Settlement Class Member
13 if you timely and validly request exclusion from the Settlement Class pursuant to this Notice.

14 If you sold Sonic securities between October 23, 2002 and May 17, 2007, that alone does not
15 make you a Settlement Class Member. You are a Settlement Class Member only if you purchased or
16 acquired Sonic securities between October 23, 2002 and May 17, 2007.

17 **7. I’m Still Not Sure if I Am Included.**

18 If you are still not sure whether you are included, you can ask for free help. You can call
19 Rick Nelson of Coughlin Stoia Geller Rudman & Robbins LLP at 619/231-1058 or Colin Holmes of
20 Labaton Sucharow LLP at 212/907-0700 for more information. Or you can fill out and return the
21 claim form described in question 10, to see if you qualify.

22 **THE SETTLEMENT BENEFITS — WHAT YOU GET**

23 **8. What Does the Settlement Provide?**

24 Defendants have agreed to pay \$5 million in cash. The balance of this fund after payment of
25 Court-approved attorneys’ fees and expenses and the costs of claims administration, including the
26 costs of printing and mailing this Notice and the cost of publishing newspaper notice (the “Net
27

1 Settlement Fund”) will be divided among all eligible Settlement Class Members who send in valid
2 claim forms.

3 **9. How Much Will My Payment Be?**

4 Your share of the Net Settlement Fund will depend on the number of valid claim forms that
5 Settlement Class Members send in and the number of shares of Sonic securities you purchased or
6 acquired during the relevant period and when you bought and sold them. A claim will be calculated
7 as follows:

8 The allocation below is based on the following price declines as well as the statutory PSLRA
9 90 day look back amount of \$12.25:

10	February 2, 2007 Price Decline:	\$1.35
11	February 16, 2007 Price Decline:	\$1.33
	May 18, 2007 Price Decline:	\$1.29

12 (a) For shares of Sonic Solutions common stock *purchased or acquired on*
13 *October 23, 2002 through February 1, 2007*, the claim per share shall be as follows:

14 (i) If sold on or before February 1, 2007, the claim per share is \$0;
15 (ii) If sold on February 2, 2007 through February 15, 2007, the claim per
16 share shall be the lesser of: (a) \$1.35 (February 2, 2007 Price Decline), or (b) the difference between
17 the purchase price and the selling price;

18 (iii) If sold on February 16, 2007 through May 17, 2007, the claim per
19 share shall be the lesser of: (a) \$2.68 (February 2, 2007 & February 16, 2007 Price Declines), or (b)
20 the difference between the purchase price and the selling price;

21 (iv) If held at the close of trading on May 17, 2007 and sold on or before
22 August 15, 2007, the claim per share shall be the lesser of: (a) \$3.97 (February 2, 2007, February 16,
23 2007 & May 18, 2007 Price Declines), or (b) the difference between the purchase price and the
24 selling price, or (c) the difference between the purchase price per share and the average closing price
25 per share up to the date of sale as set forth in the table below;

26 (v) If retained, or sold, on or after August 16, 2007, the claim per share
27 shall be the lesser of: (i) \$3.97 (February 2, 2007, February 16, 2007 & May 18, 2007 Price
28 Declines), or (ii) the difference between the purchase price per share and \$12.25 per share.

1 (b) For shares of Sonic Solutions common stock ***purchased or acquired on***
2 ***February 2, 2007 through February 15, 2007***, the claim per share shall be as follows:

3 (i) If sold on or before February 15, 2007, the claim per share is \$0;
4 (ii) If sold on February 16, 2007 through May 17, 2007, the claim per
5 share shall be the lesser of: (a) \$1.33 (February 16, 2007 Price Decline), or (b) the difference
6 between the purchase price and the selling price;

7 (iii) If held at the close of trading on May 17, 2007 and sold on or before
8 August 15, 2007, the claim per share shall be the lesser of: (a) \$2.62 (February 16, 2007 & May 18,
9 2007 Price Declines), or (b) the difference between the purchase price and the selling price, or (c) the
10 difference between the purchase price per share and the average closing price per share up to the date
11 of sale as set forth in the table below;

12 (iv) If retained or sold on or after August 16, 2007, the claim per share
13 shall be the lesser of: (a) \$2.62 (February 16, 2007 & May 18, 2007 Price Declines), or (b) the
14 difference between the purchase price per share and \$12.25 per share.

15 (c) For shares of Sonic Solutions common stock ***purchased, or acquired, on***
16 ***February 16, 2007 through May 17, 2007***, the claim per share shall be as follows:

17 (i) If sold on or before May 17, 2007, the claim per share is \$0;
18 (ii) If held at the close of trading on May 17, 2007 and sold on or before
19 August 15, 2007, the claim per share shall be the lesser of: (i) \$1.29 (May 18, 2007 Price Decline);
20 or (ii) the difference between the purchase price and the selling price, or (iii) the difference between
21 the purchase price per share and the average closing price per share up to the date of sale as set forth
22 in the table below;

23 (iii) If retained, or sold, on or after August 16, 2007, the claim per share
24 shall be the lesser of: (i) \$1.29 (May 18, 2007 Price Decline), or (ii) the difference between the
25 purchase price per share and \$12.25 per share.

26 **CALL OPTIONS**

27 (a) For call options on Sonic Solutions common stock ***purchased from October***
28 ***23, 2002 through May 17, 2007***, and

1 (i) owned at the end of one of the following dates: February 1, 2007,
2 February 15, 2007 or May 17, 2007, the claim per call option is the difference between the price paid
3 for the call option less the proceeds received upon the settlement of the call option contract;

4 (ii) not owned at the end of one of the following dates: February 1, 2007,
5 February 15, 2007 or May 17, 2007, the claim per call option is \$0.

6 (b) For call options on Sonic common stock *written from January 20, 2005*
7 *through May 17, 2006*, the claim per call option is \$0.

8 PUT OPTIONS

9 (a) For put options on Sonic common stock written from October 23, 2002
10 through May 17, 2007, and

11 (i) held at the end of one of the following dates: February 1, 2007,
12 February 15, 2007 or May 17, 2007, the claim per put option is the difference between the price paid
13 upon settlement of the put option contract less the initial proceeds received upon the sale of the put
14 option contract;

15 (ii) not held at the end of one of the following dates: February 1, 2007,
16 February 15, 2007 or May 17, 2007, the claim per put option is \$0.

17 (b) For put options on Sonic common stock purchased from October 23, 2002
18 through May 17, 2007, the claim per put option is \$0.

19 **Note:** In the case the option was exercised for Sonic common stock, the amount paid or proceeds
20 received upon the settlement of the option contract equals the intrinsic value of the option using
21 Sonic common stock's closing price on the date the option was exercised.

22 **Note:** The combined recovery for the Call Options and Put Options shall not exceed 2% of the Net
23 Settlement Fund.

24	Date	Closing Price	Average Closing Price
25	18-May-07	\$12.08	\$12.08
26	21-May-07	\$12.38	\$12.23
27	22-May-07	\$12.69	\$12.38
28	23-May-07	\$12.63	\$12.45
	24-May-07	\$12.32	\$12.42
	25-May-07	\$12.47	\$12.43
	29-May-07	\$12.53	\$12.44

1	30-May-07	\$12.52	\$12.45
	31-May-07	\$12.90	\$12.50
2	1-Jun-07	\$12.90	\$12.54
	4-Jun-07	\$12.83	\$12.57
3	5-Jun-07	\$12.67	\$12.58
	6-Jun-07	\$13.17	\$12.62
4	7-Jun-07	\$12.84	\$12.64
	8-Jun-07	\$13.19	\$12.67
5	11-Jun-07	\$12.91	\$12.69
	12-Jun-07	\$12.79	\$12.70
6	13-Jun-07	\$12.62	\$12.69
	14-Jun-07	\$12.52	\$12.68
7	15-Jun-07	\$12.51	\$12.67
	18-Jun-07	\$12.44	\$12.66
8	19-Jun-07	\$12.46	\$12.65
	20-Jun-07	\$12.39	\$12.64
9	21-Jun-07	\$12.33	\$12.63
10	22-Jun-07	\$12.29	\$12.62
	25-Jun-07	\$12.95	\$12.63
11	26-Jun-07	\$12.92	\$12.64
	27-Jun-07	\$12.88	\$12.65
12	28-Jun-07	\$12.88	\$12.66
	29-Jun-07	\$12.61	\$12.65
13	2-Jul-07	\$13.02	\$12.67
	3-Jul-07	\$13.00	\$12.68
14	5-Jul-07	\$12.98	\$12.69
	6-Jul-07	\$12.56	\$12.68
15	9-Jul-07	\$12.89	\$12.69
	10-Jul-07	\$12.95	\$12.70
16	11-Jul-07	\$13.31	\$12.71
	12-Jul-07	\$13.45	\$12.73
17	13-Jul-07	\$13.27	\$12.74
	16-Jul-07	\$13.08	\$12.75
18	17-Jul-07	\$13.31	\$12.77
	18-Jul-07	\$13.18	\$12.78
19	19-Jul-07	\$11.99	\$12.76
	20-Jul-07	\$11.96	\$12.74
20	23-Jul-07	\$11.74	\$12.72
	24-Jul-07	\$11.60	\$12.69
21	25-Jul-07	\$11.82	\$12.68
	26-Jul-07	\$11.67	\$12.65
22	27-Jul-07	\$11.51	\$12.63
	30-Jul-07	\$11.28	\$12.60
23	31-Jul-07	\$11.18	\$12.58
	1-Aug-07	\$10.91	\$12.54
24	2-Aug-07	\$10.65	\$12.51
	3-Aug-07	\$10.56	\$12.47
25	6-Aug-07	\$10.64	\$12.44
	7-Aug-07	\$10.70	\$12.41
26	8-Aug-07	\$10.91	\$12.38
	9-Aug-07	\$10.94	\$12.36
27	10-Aug-07	\$11.12	\$12.34
28			

1	13-Aug-07	\$10.51	\$12.31
	14-Aug-07	\$10.53	\$12.28
2	15-Aug-07	\$10.56	\$12.25

3 The date of purchase or sale is the “contract” or “trade” date as distinguished from the
4 “settlement” date.

5 For Settlement Class Members who held Sonic securities at the beginning of the Settlement
6 Class Period or made multiple purchases, acquisitions or sales during the Settlement Class Period,
7 the first-in, first-out (“FIFO”) method will be applied to such holdings, purchases, acquisitions and
8 sales for purposes of calculating a claim. Under the FIFO method, sales of securities during the
9 Settlement Class Period will be matched, in chronological order, first against securities held at the
10 beginning of the Settlement Class Period. The remaining sales of securities during the Settlement
11 Class Period will then be matched, in chronological order, against securities purchased or acquired
12 during the Settlement Class Period.

13 A Settlement Class Member will be eligible to receive a distribution from the Net Settlement
14 Fund only if a Settlement Class Member had a net loss. All gains and losses (as calculated under the
15 above plan) will be combined and thereafter netted against each other. In addition, no distribution
16 will be made unless the amount of the check is at least \$5.00.

17 **HOW YOU OBTAIN A PAYMENT — SUBMITTING A CLAIM FORM**

18 **10. How Will I Obtain a Payment?**

19 To qualify for payment, you must be an eligible Settlement Class Member, send in a valid
20 claim form, and properly document your claim as requested in the claim form. A claim form is
21 enclosed with this Notice. Read the instructions carefully, fill out the form, include all the
22 documents the form asks for, sign it, and mail it in the enclosed envelope postmarked no later than
23 March 22, 2010.

24 **11. When Will I Receive My Payment?**

25 The Court will hold a hearing on February 18, 2010, to decide whether to approve the
26 settlement. If Judge Wilken approves the settlement, there may be appeals. It is always uncertain
27 whether these appeals can be resolved, and resolving them can take time, perhaps several years.
28

1 Everyone who sends in a claim form will be informed of the determination with respect to their
2 claim. Please be patient.

3 **12. What Am I Giving Up to Receive a Payment or Stay in the Settlement Class?**

4 Unless you timely and validly exclude yourself, you are staying in the Settlement Class, and
5 that means that you cannot sue, continue to sue, or be part of any other lawsuit against the
6 Defendants about the Released Claims in this case. It also means that all of the Court's orders will
7 apply to you and legally bind you and you will release your claims in this case against the
8 Defendants. The terms of the release are included in the claim form that is enclosed.

9 **EXCLUDING YOURSELF FROM THE SETTLEMENT**

10 If you do not want a payment from this settlement, but you want to keep the right to sue or
11 continue to sue the Defendants on your own for the Released Claims in this case, then you must take
12 steps to get out of the Settlement Class. This is called excluding yourself or is sometimes referred to
13 as opting out of the Settlement Class.

14 **13. How Do I Get Out of the Settlement Class?**

15 To exclude yourself from the Settlement Class, you must send a letter by mail stating that
16 you want to be excluded from *City of Westland Police and Fire Retirement System and Plymouth*
17 *County Retirement System v. Sonic Solutions*, No. C 07-05111-CW. You must include your name,
18 address, telephone number, your signature, and the number and type of Sonic securities you
19 purchased or acquired between October 23, 2002 and May 17, 2007. You must mail your exclusion
20 request postmarked no later than February 4, 2010 to:

21 *Sonic Securities Litigation*
22 Claims Administrator
23 c/o Gilardi & Co. LLC
P.O. Box 8040
San Rafael, CA 94912-8040

24 You cannot exclude yourself on the phone or by e-mail. If you ask to be excluded, you are
25 not eligible to receive any settlement payment, and you cannot object to the settlement. You will not
26 be legally bound by anything that happens in this lawsuit.

1 achieving the Settlement Fund. The Court will decide what is a reasonable fee award and may
2 award less than the amount requested by Lead Counsel.

3 **OBJECTING TO THE SETTLEMENT**

4 You can tell the Court that you do not agree with the settlement or some part of it.

5 **18. How Do I Tell the Court that I Do Not Like the Settlement?**

6 If you are a Settlement Class Member, you can object to the settlement if you do not like any
7 part of it, including the Plan of Allocation and the request for attorneys' fees. You can state the
8 reasons why you think the Court should not approve it. The Court will consider your views. To
9 object, you must send a letter saying that you object to the settlement in *City of Westland Police and*
10 *Fire Retirement System and Plymouth County Retirement System v. Sonic Solutions*, No. C 07-
11 05111-CW. Be sure to include your name, address, telephone number, your signature, the number
12 and type of Sonic securities purchased or acquired and sold between October 23, 2002 and May 17,
13 2007, and the reasons you object. Any objection must be mailed or delivered such that it is received
14 by *each* of the following no later than February 4, 2010:

15 *Court:*

16 Clerk of the Court
17 UNITED STATES DISTRICT COURT
18 NORTHERN DISTRICT OF CALIFORNIA
19 United States Courthouse
20 1301 Clay Street
21 Oakland, CA 94612

22 *Counsel for Lead Plaintiffs:*

23 Joy Ann Bull
24 COUGHLIN STOIA GELLER
25 RUDMAN & ROBBINS LLP
26 655 West Broadway, Suite 1900
27 San Diego, CA 92101
28

1 *Counsel for Defendants:*

2 Carol Lynn Thompson
3 SIDLEY AUSTIN LLP
4 555 California Street
5 San Francisco, CA 94104

6 **19. What’s the Difference Between Objecting and Excluding?**

7 Objecting is simply telling the Court that you do not like something about the settlement.
8 You can object *only if* you stay in the Settlement Class. Excluding yourself is telling the Court that
9 you do not want to be part of the Settlement Class. If you exclude yourself, you have no basis to
10 object because the case no longer affects you.

11 **THE COURT’S FAIRNESS HEARING**

12 The Court will hold a hearing to decide whether to approve the settlement. You may attend
13 and you may ask to speak, but you do not have to.

14 **20. When and Where Will the Court Decide Whether to Approve the
15 Settlement?**

16 The Court will hold a fairness hearing at 2:00 p.m., on February 18, 2010, at the United
17 States Courthouse, 1301 Clay Street, Oakland, California. At this hearing the Court will consider
18 whether the settlement is fair, reasonable, and adequate. If there are objections, the Court will
19 consider them. Judge Wilken will listen to people who have asked to speak at the hearing. The
20 Court will also consider how much to pay to Lead Counsel. The Court may decide these issues at
21 the hearing or take them under consideration. We do not know how long these decisions will take.

22 **21. Do I Have to Come to the Hearing?**

23 No. Lead Counsel will answer any questions Judge Wilken may have. But, you are welcome
24 to come at your own expense. If you send an objection, you do not have to come to Court to talk
25 about it. As long as you mailed your written objection on time, the Court will consider it. You may
26 also pay your own lawyer to attend, but it is not necessary.

27 **22. May I Speak at the Hearing?**

28 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 intention to appear in *City of Westland Police and Fire Retirement*

1 *System and Plymouth County Retirement System v. Sonic Solutions*, No. C 07-05111-CW. Be sure
2 to include your name, address, telephone number, your signature, and the number and type of Sonic
3 securities purchased or acquired between October 23, 2002 and May 17, 2007. Your notice of
4 intention to appear must be received no later than February 4, 2010, by the Clerk of the Court, Lead
5 Counsel, and Defendants' counsel, at the three addresses listed in question 18. You cannot speak at
6 the hearing if you exclude yourself from the Settlement Class.

7 **IF YOU DO NOTHING**

8 **23. What Happens if I Do Nothing at All?**

9 If you do nothing, you will be a Settlement Class Member. However, you will not receive
10 any money from this settlement unless you submit a claim form. Unless you exclude yourself, you
11 won't be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against the
12 Defendants about the Released Claims in this case.

13 **GETTING MORE INFORMATION**

14 **24. Are There More Details About the Settlement?**

15 This Notice summarizes the proposed settlement. More details are in the Stipulation of
16 Settlement dated as of October 12, 2009. You can obtain a copy of the Stipulation of Settlement by
17 writing to Rick Nelson, Shareholder Relations, Coughlin Stoia Geller Rudman & Robbins LLP, 655
18 West Broadway, Suite 1900, San Diego, CA 92101, or from the Clerk's office at the United States
19 District Court for the Northern District of California, 1301 Clay Street, Oakland, California during
20 regular business hours, or by going to www.gilardi.com.

21 **25. How Do I Get More Information?**

22 You can call 619/231-1058 or write to Rick Nelson, Shareholder Relations, Coughlin Stoia
23 Geller Rudman & Robbins LLP, 655 West Broadway, Suite 1900, San Diego, CA 92101 or call
24 212/907-0700 or write to Colin Holmes, Labaton Sucharow LLP, 140 Broadway, 34th Floor, New
25 York, New York 10005, or visit the following website: www.gilardi.com.

26 ***DO NOT TELEPHONE THE COURT REGARDING THIS NOTICE***

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SPECIAL NOTICE TO NOMINEES

The Court has ordered that if you held any Sonic publicly traded securities purchased or acquired between October 23, 2002 and May 17, 2007, as nominee for a beneficial owner, then, within ten (10) days after you receive this Notice, you must either: (1) send a copy of this Notice by first class mail to all such Persons; or (2) provide a list of the names and addresses of such Persons to the Claims Administrator:

Sonic Securities Litigation
Claims Administrator
c/o Gilardi & Co. LLC
P.O. Box 8040
San Rafael, CA 94912-8040

If you choose to mail the Notice and Proof of Claim yourself, you may obtain from the Claims Administrator (without cost to you) as many additional copies of these documents as you will need to complete the mailing.

Regardless of whether you choose to complete the mailing yourself or elect to have the mailing performed for you, you may obtain reimbursement for or advancement of reasonable administrative costs actually incurred or expected to be incurred in connection with forwarding the Notice and which would not have been incurred but for the obligation to forward the Notice, upon submission of appropriate documentation to the Claims Administrator.

DATED: _____

BY ORDER OF THE COURT
UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

1 COUGHLIN STOIA GELLER
RUDMAN & ROBBINS LLP
2 SHAWN A. WILLIAMS (213113)
CHRISTOPHER M. WOOD (254908)
3 100 Pine Street, Suite 2600
San Francisco, CA 94111
4 Telephone: 415/288-4545
415/288-4534 (fax)
5 shawnw@csgrr.com
cwood@csgrr.com

6 COUGHLIN STOIA GELLER
RUDMAN & ROBBINS LLP
7 JOY ANN BULL
8 655 West Broadway, Suite 1900
San Diego, CA 92101-3301
9 Telephone: 619/231-1058
619/231-7423 (fax)
10 joyb@csgrr.com

11 LABATON SUCHAROW LLP
CHRISTOPHER J. KELLER
12 JONATHAN GARDNER
140 Broadway, 34th Floor
13 New York, NY 10005
Telephone: 212/907-0700
14 212/818-0477 (fax)
ckeller@labaton.com
15 jgardner@labaton.com

16 Co-Lead Counsel for Plaintiffs

17 [Additional counsel appear on signature page.]

18 UNITED STATES DISTRICT COURT

19 NORTHERN DISTRICT OF CALIFORNIA

20 CITY OF WESTLAND POLICE AND FIRE)	No. C 07-05111-CW
RETIREMENT SYSTEM and PLYMOUTH)	
21 COUNTY RETIREMENT SYSTEM, On)	<u>CLASS ACTION</u>
Behalf of Themselves and All Others Similarly)	
22 Situated,)	PROOF OF CLAIM AND RELEASE
23 Plaintiffs,)	EXHIBIT A-2
24 vs.)	
25 SONIC SOLUTIONS, et al.,)	
26 Defendants.)	

27
28

1 **I. GENERAL INSTRUCTIONS**

2 1. To recover as a Member of the Settlement Class based on your claims in the action
3 entitled *City of Westland Police and Fire Retirement System and Plymouth County Retirement*
4 *System v. Sonic Solutions*, No. C 07-05111-CW (the “Litigation”), you must complete and, on page
5 ___ hereof, sign this Proof of Claim and Release. If you fail to file a properly addressed (as set forth
6 in paragraph 3 below) Proof of Claim and Release, your claim may be rejected and you may be
7 precluded from any recovery from the Net Settlement Fund created in connection with the proposed
8 settlement of the Litigation.

9 2. Submission of this Proof of Claim and Release, however, does not assure that you
10 will share in the proceeds of settlement in the Litigation.

11 3. YOU MUST MAIL YOUR COMPLETED AND SIGNED PROOF OF CLAIM
12 AND RELEASE POSTMARKED ON OR BEFORE MARCH 22, 2010, ADDRESSED AS
13 FOLLOWS:

14 *Sonic Securities Litigation*
15 Claims Administrator
16 c/o Gilardi & Co. LLC
P.O. Box 8040
San Rafael, CA 94912-8040

17 If you are NOT a Member of the Settlement Class, as defined in the Notice of Pendency and
18 Proposed Settlement of Class Action (“Notice”), DO NOT submit a Proof of Claim and Release
19 form.

20 4. If you are a Member of the Settlement Class, you are bound by the terms of any
21 judgment entered in the Litigation, WHETHER OR NOT YOU SUBMIT A PROOF OF CLAIM
22 AND RELEASE FORM.

23 **II. DEFINITIONS**

24 1. “Defendants” means Sonic and the Individual Defendants, as defined below.

25 2. “Individual Defendants” means Robert J. Doris, David C. Habiger, Mary C. Sauer, A.
26 Clay Leighton, Mark Ely, Robert M. Greber, Peter J. Marguglio and R. Warren Langley.

27 3. “Released Parties” means each and all of the Defendants and each and all of their
28 Related Parties.

1 **III. CLAIMANT IDENTIFICATION**

2 1. If you purchased or acquired Sonic publicly traded securities and held the
3 certificate(s) in your name, you are the beneficial purchaser as well as the record purchaser. If,
4 however, the certificate(s) were registered in the name of a third party, such as a nominee or
5 brokerage firm, you are the beneficial purchaser and the third party is the record purchaser.

6 2. Use Part I of this form entitled "Claimant Identification" to identify each purchaser of
7 record ("nominee"), if different from the beneficial purchaser of Sonic securities which form the
8 basis of this claim. THIS CLAIM MUST BE FILED BY THE ACTUAL BENEFICIAL
9 PURCHASER(S) OR ACQUIRER(S), OR THE LEGAL REPRESENTATIVE OF SUCH
10 PURCHASER(S) OR ACQUIRER(S) OF THE SONIC SECURITIES UPON WHICH THIS
11 CLAIM IS BASED.

12 3. All joint purchasers must sign this claim. Executors, administrators, guardians,
13 conservators and trustees must complete and sign this claim on behalf of Persons represented by
14 them and their authority must accompany this claim and their titles or capacities must be stated. The
15 Social Security (or taxpayer identification) number and telephone number of the beneficial owner
16 may be used in verifying the claim. Failure to provide the foregoing information could delay
17 verification of your claim or result in rejection of the claim.

18 **IV. CLAIM FORM**

19 1. Use Part II of this form entitled "Schedule of Transactions in Sonic Securities" to
20 supply all required details of your transaction(s) in Sonic securities. If you need more space or
21 additional schedules, attach separate sheets giving all of the required information in substantially the
22 same form. Sign and print or type your name on each additional sheet.

23 2. On the schedules, provide all of the requested information with respect to all of your
24 purchases or acquisitions and all of your sales of Sonic securities which took place at any time
25 between and including October 23, 2002 and August 15, 2007 (the "Settlement Class Period"),
26 whether such transactions resulted in a profit or a loss. Failure to report all such transactions may
27 result in the rejection of your claim.

28

1 3. List each transaction in the Settlement Class Period separately and in chronological
2 order, by trade date, beginning with the earliest. You must accurately provide the month, day and
3 year of each transaction you list.

4 4. Broker confirmations or other documentation of your transactions in Sonic securities
5 should be attached to your claim. Failure to provide this documentation could delay verification of
6 your claim or result in rejection of your claim.

7 5. The above requests are designed to provide the minimum amount of information
8 necessary to process the most simple claims. The Claims Administrator may request additional
9 information as required to efficiently and reliably calculate your losses. In some cases where the
10 Claims Administrator cannot perform the calculation accurately or at a reasonable cost to the
11 Settlement Class with the information provided, the Claims Administrator may condition acceptance
12 of the claim upon the production of additional information and/or the hiring of an accounting expert
13 at the claimant's cost.

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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
*City of Westland Police and Fire Retirement System
and Plymouth County Retirement System v. Sonic Solutions*

No. C 07-05111-CW

PROOF OF CLAIM AND RELEASE

Must Be Postmarked No Later Than:

March 22, 2010

Please Type or Print

PART I: CLAIMANT IDENTIFICATION

Beneficial Owner's Name (First, Middle, Last)

Street Address

City State Zip Code

Foreign Province Foreign Country

Social Security Number or Taxpayer Identification Number Individual Corporation/Other

Area Code Telephone Number (work)

Area Code Telephone Number (home)

Record Owner's Name (if different from beneficial owner listed above)

1 PART II: SCHEDULE OF TRANSACTIONS IN SONIC SECURITIES

2 A. Number and type of Sonic publicly traded securities held at the beginning of trading
3 on October 23, 2002: _____.

4 B. Purchases or Acquisitions of Sonic publicly traded securities (October 23, 2002 –
5 May 17, 2007, inclusive):

Trade Date			Number of Securities	Type of Security ¹	Total Purchase or Acquisition Price
Mo.	Day	Year	Purchased or Acquired		
1.	_____	_____	1. _____	1. _____	1. _____
2.	_____	_____	2. _____	2. _____	2. _____
3.	_____	_____	3. _____	3. _____	3. _____

9 C. Sales of Sonic publicly traded securities (October 23, 2002 – August 15, 2007,
10 inclusive):

Trade Date			Number of Securities	Type of Security ¹	Total Sales Price
Mo.	Day	Year	Sold		
1.	_____	_____	1. _____	1. _____	1. _____
2.	_____	_____	2. _____	2. _____	2. _____
3.	_____	_____	3. _____	3. _____	3. _____

16 D. Number and type of Sonic publicly traded securities held at the close of trading on May
17 17, 2007: _____.

18 E. Number of shares of Sonic common stock held at the close of trading on August 15,
19 2007: _____.

19 If you require additional space, attach extra schedules in the same format as above. Sign and print
20 your name on each additional page.

20 YOU MUST READ AND SIGN THE RELEASE ON PAGE _____.

27 ¹ A = common stock
28 B = options

1 **V. SUBMISSION TO JURISDICTION OF COURT AND**
2 **ACKNOWLEDGMENTS**

3 I submit this Proof of Claim and Release under the terms of the Stipulation of Settlement
4 dated as of October 12, 2009 (“Stipulation”) described in the Notice. I also submit to the jurisdiction
5 of the United States District Court for the Northern District of California, with respect to my claim
6 as a Settlement Class Member (as defined in the Notice) and for purposes of enforcing the release set
7 forth herein. I further acknowledge that I am bound by and subject to the terms of any judgment that
8 may be entered in the Litigation. I agree to furnish additional information to Lead Counsel to
9 support this claim if required to do so. I have not submitted any other claim covering the same
10 purchases, acquisitions or sales of Sonic securities during the Settlement Class Period and know of
11 no other Person having done so on my behalf.

12 **VI. RELEASE**

13 1. I hereby acknowledge full and complete satisfaction of, and do hereby fully, finally
14 and forever settle, release, relinquish and discharge, all of the Released Claims against each and all
15 of the Defendants and each and all of their “Related Parties,” defined as each of a Defendant’s past
16 or present directors, officers, employees, partners, insurers, co-insurers, reinsurers, principals,
17 controlling shareholders, attorneys, accountants, auditors, investment advisors, personal or legal
18 representatives, predecessors, successors, parents, subsidiaries, divisions, joint ventures, assigns,
19 spouses, heirs, estates, related or affiliated entities, any entity in which a Defendant has a controlling
20 interest, any members of an Individual Defendant’s immediate family, any trust of which an
21 Individual Defendant is the settlor or which is for the benefit of an Individual Defendant and/or any
22 member of an Individual Defendant’s immediate family, and any entity in which a Defendant and/or
23 any member of an Individual Defendant’s immediate family has or have a controlling interest
24 (directly or indirectly).

25 2. “Released Claims” shall collectively mean all claims (including “Unknown Claims”
26 as defined below), demands, rights, liabilities and causes of action of every nature and description
27 whatsoever, known or unknown, contingent or absolute, mature or immature, discoverable or
28 undiscoverable, whether concealed or hidden, suspected or unsuspected, which now exist, or

1 heretofore has existed, asserted or that might have been asserted by the Lead Plaintiffs or any
2 Settlement Class Member against the Defendants and their Related Parties based upon, arising out of
3 both the facts, transactions, events, occurrences, disclosures, statements, acts, omissions or failures
4 to act which were or could have been alleged in the Litigation and the purchase or other acquisition
5 of Sonic publicly traded securities by the Lead Plaintiffs or any Settlement Class Member during the
6 Settlement Class Period.

7 3. “Unknown Claims” means collectively any Released Claims that the Lead Plaintiffs
8 or any Settlement Class Member does not know or suspect to exist in his, her or its favor at the time
9 of the release of the Released Parties which, if known by him, her or it, might have affected his, her
10 or its settlement with and release of the Released Parties, or might have affected his, her or its
11 decision not to object to this Settlement. With respect to any and all Released Claims, the Settling
12 Parties stipulate and agree that, upon the Effective Date, Lead Plaintiffs shall expressly waive, and
13 each of the Settlement Class Members shall be deemed to have waived, and by operation of the
14 Judgment shall have waived, the provisions, rights and benefits of California Civil Code §1542,
15 which provides:

16 **A general release does not extend to claims which the creditor does not**
17 **know or suspect to exist in his or her favor at the time of executing the release,**
18 **which if known by him or her must have materially affected his or her**
19 **settlement with the debtor.**

20 Lead Plaintiffs shall expressly and each of the Settlement Class Members shall be deemed to have,
21 and by operation of the Judgment shall have, expressly waived any and all provisions, rights and
22 benefits conferred by any law of any state or territory of the United States, or principle of common
23 law, which is similar, comparable or equivalent to California Civil Code §1542. Lead Plaintiffs and
24 Settlement Class Members may hereafter discover facts in addition to or different from those which
25 he, she or it now knows or believes to be true with respect to the subject matter of the Released
26 Claims, but Lead Plaintiffs shall expressly fully, finally and forever settle and release, and each
27 Settlement Class Member, upon the Effective Date, shall be deemed to have, and by operation of the
28 Judgment shall have, fully, finally, and forever settled and released, any and all Released Claims,
known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not

1 concealed or hidden, which now exist, or heretofore have existed, upon any theory of law or equity
2 now existing or coming into existence in the future, including, but not limited to, conduct which is
3 negligent, intentional, with or without malice, or a breach of any duty, law or rule, without regard to
4 the subsequent discovery or existence of such different or additional facts. Lead Plaintiffs
5 acknowledge, and the Settlement Class Members shall be deemed by operation of the Judgment to
6 have acknowledged, that the foregoing waiver was separately bargained for and a key element of the
7 Settlement of which this release is a part.

8 4. This release shall be of no force or effect unless and until the Court approves the
9 Stipulation and it becomes effective on the Effective Date.

10 5. I (We) hereby warrant and represent that I (we) have not assigned or transferred or
11 purported to assign or transfer, voluntarily or involuntarily, any matter released pursuant to this
12 release or any other part or portion thereof.

13 6. I (We) hereby warrant and represent that I (we) have included information about all
14 of my (our) transactions in Sonic publicly traded securities that occurred during the Settlement Class
15 Period as well as the number of shares of Sonic publicly traded securities held by me (us) at the
16 opening of trading on October 23, 2002, and at the close of trading on May 17, 2007, and the number
17 of shares of Sonic common stock held at the close of trading on August 15, 2007.

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SEE ENCLOSED FORM W-9 INSTRUCTIONS

The Internal Revenue Service does not require your consent to any provision of this document other than the certification required to avoid backup withholding.

I declare under penalty of perjury under the laws of the United States of America that the foregoing information supplied by the undersigned is true and correct.

Executed this _____ day of _____,
(Month/Year)

in _____, _____.
(City) (State/Country)

(Sign your name here)

(Type or print your name here)

(Capacity of person(s) signing, e.g.,
Beneficial Purchaser or Acquirer,
Executor or Administrator)

ACCURATE CLAIMS PROCESSING TAKES A
SIGNIFICANT AMOUNT OF TIME.
THANK YOU FOR YOUR PATIENCE.

Reminder Checklist:

- 1. Please sign the above release and declaration.
- 2. Remember to attach supporting documentation, if available.
- 3. Do not send original stock certificates.
- 4. Keep a copy of your claim form for your records.
- 5. If you desire an acknowledgment of receipt of your claim form, please send it

Certified Mail, Return Receipt Requested.

- 6. If you move, please send us your new address.