

# If you rented from a Blockbuster video store and paid an extended viewing fee or nonreturn fee, a proposed class action settlement may affect your rights.

**You may be entitled to compensation in the form of certificates.**

If you paid an extended viewing or nonreturn fee between January 1, 1992, and April 1, 2001, you are a member of a proposed Settlement Class in an action against Blockbuster Inc. styled Scott v. Blockbuster Inc., Cause No. D162-535, 136th Judicial District, Jefferson County, Texas relating to extended viewing and nonreturn fees paid for videos and other rental items. Similar class actions are pending against Blockbuster Inc. in jurisdictions throughout the country. The 136th District Court in Beaumont, Texas, will hold a hearing on December 10, 2001 at 9:00 a.m. to determine whether the proposed settlement is fair, reasonable, and adequate.

## THE PROPOSED SETTLEMENT

If the proposed settlement is approved, class members will receive compensation in the form of certificates to be used toward certain rentals or non-food purchases, including some or all of: (1) \$1.00 off any rental or non-food purchase; (2) free "Blockbuster Favorites" and five-day rentals; and (3) rent-one-get-one-free rentals. If class members paid extended viewing fees between April 1, 1999 and April 1, 2001 in an aggregate amount (1) equal to or lesser than \$30; (2) between \$30 and \$60; or (3) over \$60, they will receive certificates worth approximately \$9, \$13, and \$20, respectively, upon the submission of a valid Class Settlement Claim Form (available at [www.blockbuster.com](http://www.blockbuster.com) or by calling **1-800-224-2703**) by December 15, 2001 or upon the completion of a transaction in a Blockbuster company-owned or participating franchise store during the Certificate Period, which shall be a 120-day period to occur within 12 months of a final nonappealable judgment.

Settlement Class members who did not pay extended viewing fees to Blockbuster between March 1, 1998 and November 15, 2000 must submit a valid Class Settlement Claim Form by December 15, 2001, to receive certificate consideration. Class members must also submit a Class Settlement Claim Form to receive certificate compensation for fees paid to Blockbuster for the nonreturn of rental items. Nonreturn fees shall be treated as extended viewing fees for the purpose of determining which of the three certificate levels a class member will receive. Members may use the certificates during the Certificate Period. Only one certificate

may be used per transaction. Blockbuster Inc. also will pay up to \$9.25 million in attorneys' fees and expenses, which constitutes approximately 2% of the face value of the certificates available under the proposed settlement.

## YOUR RIGHTS AND OPTIONS

You need not act to remain a Settlement Class member. However, if you wish to be excluded from the Settlement Class, you must write to **BLOCKBUSTER CLAIMS**, P.O. Box 721000, Dallas, Texas 75372-1000 by December 3, 2001, and include your name, address, telephone number, Blockbuster account number, and a statement that you wish to be excluded. If you do not request exclusion, you may object to the terms of the settlement by filing with the District Court of Jefferson County, 1001 Pearl Street, Beaumont, Texas 77701 and serving upon **BUCHANAN, BURKE & TINNEY**, P.O. Box 721000, Dallas, Texas 75372-1000 a written notice of your objections and whether you intend to appear (you are not required to appear) at the December 10, 2001 hearing, together with supporting papers and a statement that you are a member of the Settlement Class. Objections must be post-marked by December 3, 2001. **Class members who do not timely object will waive all objections and shall not be heard or have the right to appeal approval of the settlement.** Class members who do not exclude themselves shall release all claims relating to Blockbuster's and participating Blockbuster franchisees' extended viewing fee and nonreturn fee policies, and all claims based on the remedial relief (changes to Blockbuster's membership application and how it charges for unreturned videos or other rental items) in the Settlement Agreement.

Please call **1-800-224-2703** or visit [www.blockbuster.com](http://www.blockbuster.com) to obtain a Class Settlement Claim Form and to learn more about settlement terms, procedures to exclude yourself or object to the proposed settlement, similar litigation against Blockbuster Inc., and Blockbuster Inc.'s rental terms. You also may write to **BUCHANAN, BURKE & TINNEY** (re: Blockbuster Claims), P.O. Box 721000, Dallas, Texas 75372-1000 for more information. The Settlement Agreement and case file may be reviewed at the 136th District Court of Jefferson County, 1001 Pearl Street, Beaumont, Texas 77701. PLEASE DO NOT CONTACT THE COURT.

**1-800-224-2703**

**[www.blockbuster.com](http://www.blockbuster.com)**