EXHIBIT 1

REBECCA COLL (Bar No. 184468)
MEISELMAN, DENLEA, PACKMAN,
CARTON & EBERZ P.C.
1311 Mamaroneck Avenue
White Plains, New York 10605
(914) 517-5000
(914) 517-5055 (fax)
rcoll@mdpcelaw.com

Attorneys for Plaintiff Anthony Ventura
and all others similarly situated

E-filing

UNITED STATES DISTRICT COURT

FOR THE NORTHERN DISTRICT OF CALIFORNIA

ANTHONY VENTURA, on behalf of himself and all others similarly situated,

Plaintiff,

v.

SONY COMPUTER ENTERTAINMENT AMERICA INC.,

Defendant.

Case No. CV 10 1811 EMC

COMPLAINT

CLASS ACTION

DEMAND FOR JURY TRIAL

Plaintiff, by his attorneys, Meiselman, Denlea, Packman, Carton & Eberz P.C., as and for his class action complaint, alleges, with personal knowledge as to his own actions, and upon information and belief as to those of others, as follows:

Nature Of This Case

1. This class action seeks to redress Sony Computer Entertainment America Inc.'s ("Sony") intentional disablement of the valuable functionalities originally advertised as available with the Sony Playstation®3 video game console (the "PS3"). This disablement is not only a breach of the sales contract between Sony and its customers and a breach of the covenant of good

faith and fair dealing, but it is also an unfair and deceptive business practice perpetrated on millions of unsuspecting consumers.

2. This suit is brought on behalf of a nationwide class of all persons who purchased a PS3 during the period November 17, 2006 to March 27, 2010 and who did not resell their PS3 before March 27, 2010 (the "Class"). It seeks, inter alia, damages for Plaintiff and each class member, including but not limited to compensatory damages; restitution; injunctive relief; attorneys' fees; and the costs of this suit.

Jurisdiction and Venue

3. Jurisdiction in this civil action is authorized pursuant to 28 U.S.C. § 1332(d), as some class members' citizenship is diverse from Sony, there are more than 100 class members, and the amount in controversy is in excess of $5 million.

4. Venue is proper in this district under 28 U.S.C. § 1391(b)(2), as a substantial part of the events or omissions giving rise to Plaintiff's claims occurred in the Northern District of California.

5. Venue is also proper in this district under 28 U.S.C. § 1391(c), on the grounds that Sony's corporate headquarters and principal place of business is in the Northern District of California.

Intradistrict Assignment

6. A substantial part of the events or omissions giving rise to Plaintiff's claims occurred in Foster City, California, which is in San Mateo County.

Parties

7. Plaintiff Anthony Ventura is a resident of the State of California, Santa Clara County. Mr. Ventura purchased a PS3 in or around July 2007 for $499.00 plus tax.

8. Defendant Sony is incorporated under the laws of the State of Delaware, with its principal place of business located in Foster City, California.

9. Defendant Sony does actual business throughout the State of California, including through the direct sale of its merchandise in the State.

Operative Facts

A. Sony Markets The PS3 By Highlighting Features Such As Other OS.

10. The PS3, which competes with Microsoft's Xbox 360 and Nintendo's Wii as part of the newest generation of video game consoles, was released in the United States with great fanfare on November 17, 2006.

11. At the time of its launch, the PS3 was the most expensive gaming console available, retailing for $599.00 in part because it is capable of far more than merely playing games at home. With the growing homogenization of consumer technology and increased competition, Sony looked to market the additional features available in the PS3, such as the "Other OS" feature and the inclusion of Blu-ray technology, to distinguish its product from the others.

12. In fact, Sony's marketing and advertising of the PS3 highlighted the major features that distinguish the PS3 from other gaming consoles, including its unified online gaming service, the PlayStation Network, its robust multimedia capabilities, its use of a high-definition optical Blu-ray Disc as its primary storage medium, and the Blu-ray 2.0-compliant Blu-ray player.

13. An important PS3 feature Sony advertised was the Other OS function, which provides users with the unique ability to install another operating system, such as a Linux operating system, alongside the main PS3 system software.

14. Until recently, Sony promoted the Other OS feature in its marketing of the PS3. Indeed, Sony stated on its website "playstation.com" that when it designed the PS3, "it was fully intended that you, a PS3 owner, could play games, watch movies, view photos, listen to music, and run a full-featured Linux operating system that transforms your PS3 into a home computer."

15. As part of the PS3 launch in November 2006, Sony Computer Entertainment President Ken Kutaragi represented that the Linux operating system could be used on the PS3, which would allow purchasers to use a PS3 as a home personal computer with a direct connection to the Internet.

16. In fact, Sony has made numerous public statements touting the Other OS feature since November, 2006:

- Sony Computer Entertainment Inc., PS3 Open Platform, 2006-2010: "In addition to playing games, watching movies, listening to music, and viewing photos, you can use the PS3™ system to run the Linux operating system. By installing the Linux operating system, you can use the PS3™ system not only as an entry-level personal computer with hundreds of familiar applications for home and office use, but also as a complete development environment for the Cell Broadband Engine™ (Cell/B.E.)." http://www.playstation.com/ps3-openplatform/index.html
- Sony Computer Entertainment Inc., PS3 Manual, 2006-2010: "Install other system software on the hard disk. For information on types of compatible system software and obtaining the installer, visit Open Platform for PlayStation®3." http://manuals.playstation.net/document/de/ps3/current/settings/osinstall
- Sony Computer Entertainment Inc., PS3 Knowledge Center, 2006-2010: "The PlayStation 3 provides an option for third-party system software to be installed on the PS3™ system instead of the system software provided by Sony Computer Entertainment Inc. Such third-party system software is referred to as an 'Other OS'." http://us.playstation.com/support/answer/index.htm?a_id=469
- Ken Kutaragi, June 2006: "Speaking about the PS3, we never said we will release a game console. It is radically different from the previous PlayStation. It is clearly a computer." http://www.edge-online.com/news/kutaragi-details-ps3-computer-claim
- Phil Harrison, President of Sony Computer Entertainment Worldwide Studios 2005-2008, May 2006: "We believe that the PS3 will be the place where our users play games, watch films, browse the Web, and use other computer functions. The PlayStation 3 is a computer. We do not need the PC." http://www.gamasutra.com/view/news/9547/Harrison_We_Do_Not_Need_The_PC.php
- Phil Harrison, February 2007: "One of the most powerful things about the PS3 is the 'Install Other OS' option." http://kotaku.com/235049/20-questions-with-phil-harrison-at-dice
- Sony Computer Entertainment Inc., PS3 Linux Distributor's Starter Kit, 2006-2009: "The Linux Distributor's Starter Kit provides information, binary and source codes to Linux

Distribution developers who wants to make their distro support PS3."
http://www.kernel.org/pub/linux/kernel/people/geoff/cell/ps3-linux-docs/ps3-linux-docs-08.06.09

- Izumi Kawanishi, head of Sony's Network System Development Section, May 2006: "Because we have plans for having Linux on board [the PS3], we also recognize Linux programming activities . . . Other than game studios tied to official developer licenses, we'd like to see various individuals participate in content creation for the PS3."
http://www.gamasutra.com/php-bin/news_index.php?story=9290

- Geoffrey Levand, Principal Software Engineer at Sony Corporation, August 2009: "Please be assured that SCE is committed to continue the support for previously sold models that have the 'Install Other OS' feature and that this feature will not be disabled in future firmware releases." Mailing list to PS3 customers using Linux.

- Even when it decided to remove the Other OS functionality from the new Slim PS3, Sony reiterated its commitment to supporting the Other OS function in existing PS3 models. In an interview with arstechnica.com in August, 2009, John Koller, Sony's director of hardware marketing, stated that "[i]f anyone wants to use previous models and change the OS, they can do so."

17. Plaintiff chose to purchase a PS3, as opposed to an Xbox or a Wii, because it offered the Other OS feature as well as the other unique PS3 features (such as the ability to play Blu-ray discs and access the Playstation Network), despite the fact that the PS3 was substantially more expensive than other gaming consoles.

B. The Other OS Function Is A Valuable PS3 Feature.

18. When running the Linux software system, the PS3 can serve as a fully functional home computer, loaded with more than 1,000 applications. But instead of having a suite of applications, the computer would offer users a choice of multiple mail servers, word processing programs, spreadsheets, office applications, music and video players and games.

19. As a result, the Other OS function was extremely valuable to PS3 purchasers. As Kai Staats, CEO of Terra Soft, a third party that developed Linux applications for the PS3, stated, "[t]he PlayStation 3 places a supercomputer in the home . . . Yellow Dog Linux provides a

complete Linux OS for the PlayStation 3 resulting in a very powerful computing platform. We are thrilled to be working with RapidMind to make this platform more accessible for professional developers and hobbyists alike . . . With our operating system, the Playstation could very easily be your home CD player, DVD player, MP3 player and home computer, as well as a great game box . . . This is not an application-limited appliance. This is a full-blown computer. There is no issue of 'can it do this or that?' It can do everything."

20. Moreover, the ability to run Linux on the PS3 provides users with an excellent platform to develop applications for the PS3 or as a jumping off point for deployments to other products, including those from IBM, Sony, or Mercury.

21. Perhaps more important, the ability to use Linux on a PS3 saves consumers money. Consumers who load a Linux operating system do not need to buy many additional electronic devices or applications.

22. Plaintiff extensively utilizes the Other OS feature in order to use his PS3 as a computer, including browsing the internet, using the Blu-ray data drive, and playing Linux-specific games.

C. Sony Reneges On Its Promise To Support The Other OS Feature.

23. On March 28, 2010, Sony announced that it would no longer honor its obligation to support the Other OS feature. On its playstation.com website, Sony announced that it would release software update 3.21 ("Update 3.21").

> The next system software update for the PlayStation 3 (PS3) system will be released on April 1, 2010 (JST), and will disable the "Install Other OS" feature that was available on the PS3 systems prior to the current slimmer models, launched in September 2009. This feature enabled users to install an operating system, but due to security concerns, Sony Computer Entertainment will remove the functionality through the 3.21 system software update.
>
> In addition, disabling the "Other OS" feature will help ensure that PS3 owners will continue to have access to the broad range of gaming and entertainment content from SCE and its content partners on a more secure system.
>
> Consumers and organizations that currently use the "Other OS" feature can choose not to upgrade their PS3 systems, although the following features will no longer be available;

> Ability to sign in to PlayStation Network and use network features that require signing in to PlayStation Network, such as online features of PS3 games and chat
>
> Playback of PS3 software titles or Blu-ray Disc videos that require PS3 system software version 3.21 or later
>
> Playback of copyright-protected videos that are stored on a media server (when DTCP-IP is enabled under Settings)
>
> Use of new features and improvements that are available on PS3 system software 3.21 or later.

24. Sony did not provide any other notice to its customers that it would disable these other advertised features (the "Other Advertised Features ") unless they installed the Update 3.21. In fact, a substantial number of Sony's customers only realized that Sony had unilaterally disabled the Other Advertised Features when they attempted to use those features on or after April 1, 2010.

25. On information and belief, contrary to Sony's statement, the "security concerns" did not involve a threat to PS3 users, but rather reflected Sony's concerns that the Other OS feature might be used by "hackers" to copy and/or steal gaming and other content. Indeed, it is no coincidence that the release of Update 3.21 came quickly on the heels of an announcement by a hobbyist named Geohot that he was able to use the Other OS feature along with a bit of soldering in a manner that gave him more control over the PS3 hardware than Sony had intended. In addition, Sony's new Slim PS3 does not include the Other OS function, and because it no longer sells the "fat" PS3, Sony has no financial incentive to support the Other OS function. In other words, Sony's decision to force users to disable the Other OS function was based on its own interests and was made at the expense of its customers.

D. Sony Forces Consumers To Choose Between The Other OS Feature And Other Valuable Functions.

26. PS3 owners are not technically required to install Update 3.21. However, Sony has built a vast and sticky web of restrictions that will prevent users from accessing many of the PS3's Other Advertised Features for anyone who declines the "upgrade." In particular, for users who do not install firmware 3.21:

- it will be impossible for users to access the Playstation Network;
- it will be impossible to play PS3 games online;
- it will be impossible to play new PS3 games;
- it will be impossible to watch new Blu-ray videos;
- new Blu-ray discs could disable the Blu-ray drive entirely if they contain an AACS Host Revocation List that affects the old software version; and
- videos on DTCP-IP media servers will be disabled.

27. In short, Sony is effectively downgrading PS3s already sold and in the hands of consumers — when consumers purchased the console, the console could play games, play Blu-ray discs, and run Linux. After April 1, it is an inferior product.

28. Plaintiff has not installed Update 3.21 so that he can continue to use the Other OS function. As a result, he is no longer able to use the Other Advertised Features. Prior to April 1, 2010, Plaintiff extensively used the Other Advertised Features, including:

- the use of several online capable games;
- playing online games with friends, chatting with friends, and logging high-scores;
- purchasing games and media for the PS3 from the online store;
- receiving critical patches and add-ons to disc-based games;
- using any Playstation network point balance which he may have;
- accessing special CODECs downloaded from Sony required in order to play certain media files from a USB stick.

29. In addition, Plaintiff will no longer be able to take advantage of future benefits, including the ability to update any of the games that Plaintiff owns online, to benefit from future updates to the Playstation, and to install or play games Sony will sell in the future.

30. Plaintiff made a complaint to the Better Business Bureau ("BBB") based on Sony's release of Update 3.21, which forced Plaintiff to choose between continued use of the Other OS feature and the Other Advertised Features. The BBB reviewed this complaint and forwarded it to Sony for its response. The BBB case number for this complaint is 57168021.

31. Plaintiff also made a complaint to the Federal Trade Commission ("FTC") based on Sony's release of Update 3.21. The FTC entered Plaintiff's complaint into Consumer Sentinel, a secure online database available to thousands of civil and criminal law enforcement agencies worldwide. The reference number for this complaint is 26220667.

Class Action Allegations

32. Plaintiff brings this action on his own behalf and additionally, pursuant to Rule 23 of the Federal Rules of Civil Procedure, on behalf of a nationwide class of all persons who purchased a PS3 during the period November 17, 2006 to March 27, 2010 and who did not resell their PS3 before March 27, 2010.

33. Excluded from the Class is Sony; any parent, subsidiary, or affiliate of Sony; any entity in which Sony has or had a controlling interest, or which Sony otherwise controls or controlled; and any officer, director, employee, legal representative, predecessor, successor, or assignee of Sony.

34. This action is brought as a class action for the following reasons:

a. The Class consists of millions of persons and is therefore so numerous that joinder of all members, whether otherwise required or permitted, is impracticable;

b. There are questions of law or fact common to the Class that predominate over any questions affecting only individual members, including:

i. whether Sony violated contractual covenants by issuing firmware 3.21 for the purpose of materially impairing Plaintiff's and other Class members ability to use the PS3 functionalities for which they had paid substantial sums;

ii. whether Sony violated the covenant of good faith and fair dealing applicable to all contracts;

iii. whether Sony unjustly enriched itself by retaining the entire sales price for the PS3 despite having disabled valuable functions for which users initially paid;

iv. whether Sony violated California's Unfair Competition Law by restricting the PS3's functionalities by forcing consumers to choose between the Other OS function and the Other Advertised Features impaired by Update 3.21 and by failing to inform customers

that it might force consumers to choose between the Other OS function and the Other Advertised Features impaired by Update 3.21;

v. whether Sony violated California's Consumer Legal Remedies Act by representing that the PS3 would have features that it thereafter removed and/or by inserting unconscionable terms into a contract; and

vi. whether members of the Class have sustained damages and/or other compensable losses and, if so, the proper measure thereof;

c. The claims asserted by Plaintiff are typical of the claims of the members of the Class;

d. Plaintiff will fairly and adequately protect the interests of the Class, and Plaintiff has retained attorneys experienced in class and complex litigation, including class action litigation involving contracts and state statutes protecting consumer from unfair and deceptive acts;

e. A class action is superior to other available methods for the fair and efficient adjudication of the controversy, for at least the following reasons:

i. Absent a class action, Class members as a practical matter will be unable to obtain redress, Sony's violations of its legal obligations will continue without remedy, and Sony will continue to retain its ill-gotten gains;

ii. It would be a substantial hardship for most individual members of the Class if they were forced to prosecute individual actions;

iii. When the liability of Sony has been adjudicated, the Court will be able to determine the claims of all members of the Class;

iv. A class action will permit an orderly and expeditious administration of Class claims, foster economies of time, effort, and expense and ensure uniformity of decisions; and

v. The lawsuit presents no difficulties that would impede its management by the Court as a class action;

f. Sony has acted on grounds generally applicable to Class members, making class-wide relief appropriate; and

g. The prosecution of separate actions by individual members of the Class would create a risk of incompatible standards of conduct for Sony and of inconsistent or varying adjudications for all parties.

FIRST CAUSE OF ACTION
(Breach of Contract)

35. Plaintiff repeats and realleges the allegations contained in Paragraphs 1 through 34 above as if fully set forth herein.

36. Plaintiff and other Class members purchased PS3s from Sony with the justified expectation that Sony would honor its promise to support the Other OS function, as well as the Other Advertised Functions, without taking steps to prevent purchasers from using those functions. To obtain the benefit of these functions, Plaintiff and other Class members paid substantial sums.

37. Plaintiff and the Class members have fulfilled their obligation under the sales contract by paying the PS3 asking price.

38. Despite the full performance by Plaintiff and other class members, Sony issued Update 3.21, forcing purchasers to either install such firmware and lose the use of the Other OS function or to forgo the Other Advertised Functions for which they had paid.

39. By forcing purchasers to either forgo the use of the Other Advertised Functions or install Update 3.21, Sony has materially breached its contract with Plaintiff and other Class members, which has resulted in harm to Plaintiff and other Class members who cannot obtain the benefit of their bargain.

40. By reason of the foregoing, Sony has breached the parties' contract and is liable to Plaintiff and the other members of the Class.

SECOND CAUSE OF ACTION
(Breach of the Covenant of Good Faith and Fair Dealing)

41. Plaintiff repeats and realleges the allegations contained in Paragraphs 1 through 40 above as if fully set forth herein.

42. As a direct and proximate result of Sony's actions as described herein, Plaintiff and the Class have suffered, and continue to suffer, injury in fact and have lost money as a result of Sony's deception.

43. Plaintiff and other Class members purchased PS3s with the expectation that they would be able to continue to use the Other OS function, as well as the Other Advertised Functions, for as long as they owned their PS3.

44. Sony, however, forced purchasers to either forgo the use of the Other Advertised Functions or install Update 3.21, knowing that it was materially impairing the ability of Plaintiff and other Class members to obtain the performance for which they contracted. As such, Plaintiff and other Class members have not obtained the benefit of their bargain from Sony and the essential purpose of the PS3 sales contract has been frustrated.

45. By reason of the foregoing, Sony has breached the covenant of good faith and fair dealing and is liable to Plaintiff and the other members of the Class.

THIRD CAUSE OF ACTION
(Unjust Enrichment)

46. Plaintiff repeats and realleges the allegations contained in Paragraphs 1 through 45 above as if fully set forth herein.

47. Plaintiff and the Class have conferred benefits on Sony by paying value for the Other OS function, as well as the Other Advertised Functions, that they reasonably expected Sony to support for the life of the PS3s they purchased.

48. Sony knowingly and willingly accepted monetary benefits from Plaintiff and the Class, but Sony did not honor its obligations. Rather, Sony benefited from the sales of PS3s with the Other OS function which it then forced purchasers to either disable or forgo other important PS3 functions.

49. Under the circumstances described herein, it is inequitable for Sony to retain the full monetary benefit at the expenses of Plaintiff and the Class.

50. By engaging in the conduct described above, Sony has been unjustly enriched at the expense of Plaintiff and the Class and is required, in equity and good conscience, to compensate Plaintiff and the Class for harm suffered as a result of its actions.

51. As a direct and proximate result of Sony's unjust enrichment, Plaintiff and the Class have suffered injury and are entitled to reimbursement, restitution, and disgorgement by Sony of the benefit conferred by Plaintiff and the Class.

FOURTH CAUSE OF ACTION
(California Unfair Competition Law)

52. Plaintiff repeats and realleges the allegations contained in Paragraphs 1 through 51 above as if fully set forth herein.

53. California's Unfair Competition Law, Business and Professions Code section 17200, et seq., prohibits any "unlawful, unfair or fraudulent business act or practice."

54. Sony widely disseminated advertisements to the effect that the Other OS feature, as well as other PS3 features, would be available and supported by Sony. Sony has failed to do so, and Plaintiff and the Class have thereby been deprived of the benefit of their bargain. Sony's conduct is fraudulent under the Unfair Competition Law.

55. Sony's act of forcing purchasers to choose between the Other OS function and the Other Advertised Functions is unfair because the injury to consumers is substantial, is not outweighed by any countervailing benefits to consumers or Sony's competition, and is not an injury consumers themselves could reasonably have avoided. As a result of Defendant's wrongful conduct, the Plaintiff and the other Class members lost money.

56. Plaintiff and other Class members lost money by purchasing a PS3 without receiving the benefit of their bargain because the product is not what it was claimed to be -- a game console that would provide both the Other OS feature and the Other Advertised Features.

57. Sony's advertisements concerning the PS3 were false, deceptive and/or fraudulent, and induced Plaintiff and the other members of the Class to make purchases they would not have made otherwise if they had been in possession of all of the material facts.

58. As a direct and proximate consequence of Sony's conduct, Plaintiff and the other members of the Class suffered an ascertainable loss of money, including but not necessarily limited to the purchase price of PS3s, the amount of such loss to be determined at trial.

59. By reason of the foregoing, Sony is liable to Plaintiff and the other members of the Class for restitution, including a sum equal to the amount of a refund of all monies acquired by reason of Sony's sale of PS3s.

FIFTH CAUSE OF ACTION
(California's Consumer Legal Remedies Act)

60. Plaintiff repeats and realleges the allegations contained in Paragraphs 1 through 60 above as if fully set forth herein.

61. In making the representations and omissions described herein, Sony violated California's Consumer Legal Remedies Act by representing that the PS3 had characteristics, uses, or benefits which it did not have in violation of Civil Code § 1770(5). Specifically, Sony represented that the PS3 had the Other OS feature while simultaneously omitting the material fact that the Other OS feature would likely not be available in the future. Therefore, Plaintiff seeks appropriate injunctive relief.

62. Sony also violated Civil Code §1770(19) by inserting one or more unconscionable provisions into a contract. Sony's insertion of the following clauses into the System Software License Agreement was unconscionable:

- "Some services may change your current settings, cause a loss of data or content, or cause some loss of functionality."
- "SCE, at its sole discretion, may modify the terms of this Agreement at any time, including any terms in the PS3TM system documentation or manual, or at http://www.scei.co.jp/ps3-license/index.html. Please check back on this website from time to time for changes to this Agreement. Your continued access to or use of the System Software will signify your acceptance of any changes to this Agreement."

63. Sony used its superior bargaining strength to impose those terms upon customers, and customers had no meaningful choice whether to accept or reject these provisions. Thus, the System Software License Agreement was the product of oppression and the lack of negotiation, not any meaningful choice.

64. After entering into the contract for the purchase and sale of a PS3, Plaintiff and other Class members had no ability to negotiate the System Software License Agreement's terms, which was only provided to them after they purchased their PS3s, including the terms allowing Sony to remove functions at will, allowing it to unilaterally change the System Software License Agreement at will and forcing customers to either accept any changes in the System Software License Agreement or cease their use of their PS3.

65. In addition, Sony included these provisions within its small-type, prolix form; disguised them under nebulous headings; and buried them among sundry other unrelated contractual terms.

66. These provisions are, accordingly, procedurally unconscionable.

67. In imposing these terms, Sony sought to create for itself an unlimited ability to alter the System Software License Agreement and the functions of the PS3 as it saw fit and without any consideration to Plaintiff or other Class members.

68. These provisions are one-sided and unreasonably favorable to Sony. It uniquely favors Sony at the expense of customers, and Sony clearly hid these terms in its standard-form contract to gain unfair advantage over its consumers.

69. These terms are, as outlined above, substantively oppressive because they reallocate risk between consumers and Sony in an objectively unreasonable and unexpected manner by permitting Sony to change the System Software License Agreement and the PS3 functionalities to protect its interests in complete derogation of the rights of consumers.

70. Both procedurally and substantively, therefore, these provisions are unduly oppressive and unconscionable.

71. Therefore, if Sony asserts in this action a defense related to these provisions, by reason of the foregoing, Plaintiff and other Class members seek injunctive relief requiring Sony to cease enforcement of the foregoing unconscionable contract provisions.

WHEREFORE, Plaintiff requests that the Court enter judgment against Sony as follows:

A. Certifying this action as a class action, pursuant to Rule 23(a) and 23(b)(3) of the Federal Rules of Civil Procedure, with a class as defined above;

B. On Plaintiff's First Cause of Action, awarding Plaintiff and the Class all appropriate remedies, including but not limited to damages as well as consequential and incidental damages;

C. On Plaintiff's Second Cause of Action, awarding Plaintiff and the Class all appropriate remedies, including but not limited to restitution and disgorgement of all profits unjustly retained by Sony;

D. On Plaintiff's Third Cause of Action, awarding Plaintiff and the Class all appropriate remedies, including but not limited to restitution and disgorgement of all profits unjustly retained by Sony;

E. On Plaintiff's Fourth Cause of Action, awarding Plaintiff and the Class all appropriate remedies, including but not limited to restitution of all or part of the money Plaintiff and the Class paid for the purchase of PS3s during the class period;

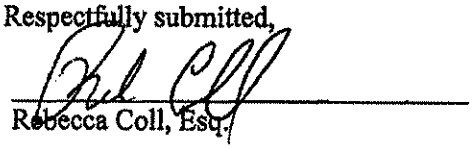
F. On Plaintiff's Fifth Cause of Action, awarding Plaintiff injunctive relief only;

G. Awarding Plaintiff's and the Class' interest, costs and attorneys' fees; and

H. Awarding Plaintiff and the Class such other and further relief as this Court deems just and proper.

DATED: April 27, 2010

Respectfully submitted,



Rebecca Coll, Esq.

David J. Meiselman, Esq.
Jeffrey I. Carton, Esq.
D. Greg Blankinship, Esq.
Jerome Noll, Esq.
MEISELMAN, DENLEA, PACKMAN,
CARTON & EBERZ P.C.
1311 Mamaroneck Avenue
White Plains, New York 10605
(914) 517-5000
Attorneys for Plaintiff

DEMAND FOR TRIAL BY JURY

Pursuant to Rule 38 of the Federal Rules of Civil Procedure, Plaintiff hereby demands a trial by jury.

DATED: April 27, 2010

Respectfully submitted,

Rebecca Coll, Esq.

David J. Meiselman, Esq.
Jeffrey I. Carton, Esq.
D. Greg Blankinship, Esq.
Rebecca Coll, Esq.
Jerome Noll, Esq.
MEISELMAN, DENLEA, PACKMAN,
CARTON & EBERZ P.C.
1311 Mamaroneck Avenue
White Plains, New York 10605
(914) 517-5000

Attorneys for Plaintiff

EXHIBIT 2

James A. Quadra (SBN 131084)
jquadra@calvoclark.com
William N. Hebert (SBN 136099)
whebert@calvoclark.com
Kevin O. Moon (SBN 246792)
kmoon@calvoclark.com
CALVO & CLARK, LLP
One Lombard Street, Second Floor
San Francisco, CA 94111
Tel: (415) 374-8370
Fax: (415) 374-8373

Attorneys for Plaintiff KEITH WRIGHT
and all others similarly situated

JL

UNITED STATES DISTRICT COURT

IN AND FOR THE NORTHERN DISTRICT OF CALIFORNIA

cv 10 1975

KEITH WRIGHT, on behalf of himself and all others similarly situated,

Plaintiff(s),

v.

SONY COMPUTER ENTERTAINMENT AMERICA INC.; and SONY COMPUTER ENTERTAINMENT AMERICA, LLC.

Defendants.

Case No. _____

CLASS ACTION COMPLAINT FOR VIOLATION OF CALIFORNIA'S BUSINESS AND PROFESSIONS CODE SECTION 17200 ET SEQ., BREACH OF CONTRACT, BREACH OF THE IMPLIED COVENANT OF GOOD FAITH AND FAIR DEALING, UNJUST ENRICHMENT, VIOLATION OF CALIFORNIA'S CONSUMER LEGAL REMEDIES ACT, AND EQUITABLE RELIEF

[Demand for Jury Trial]

Plaintiff Keith Wright ("Plaintiff"), on behalf of himself and all those similarly situated, hereby complains and alleges against defendant Sony Computer Entertainment America, Inc. ("Sony CEA") and defendant Sony Computer Entertainment America, LLC ("Sony CEA LLC") (collectively, "Defendants"), upon information and belief as to all allegations except those allegations pertaining to Plaintiff personally:

INTRODUCTION

1. This action is brought as a nationwide class action pursuant to Rule 23 of the Federal Rules of Civil Procedure, on behalf of a nationwide class of persons who owned one of the non-"Slim" models of the Sony CEA Playstation ®3 video-game console (collectively, the "PS3") during the period of November 17, 2006 to March 27, 2010 and who did not sell their PS3 before March 27, 2010 (the "Class members"). As more fully set forth below, this action seeks damages, restitution, injunctive relief, attorneys' fees and costs of this suit for Plaintiff and each Class member.

2. When Sony CEA launched the PS3, it advertised and marketed the PS3 as having additional non-gaming features and capabilities that set it apart from its competitors. One of these features was ability to install another operating system, such as the Linux operating system, in addition to the primary PS3 system software (the "Other OS" feature). Although the Other OS feature was a major selling point for many of its customers, Sony CEA has now intentionally disabled this and other valuable functionalities of the PS3.

3. Sony CEA's removal of these features constitutes an unfair and deceptive business practice under California law, constitutes a breach of the sales contract between Sony CEA and its PS3 purchasers, and constitutes a breach of the covenant of good faith and fair dealing. It is also a violation of California's Consumer Legal Remedies Act.

PARTIES & CAPACITIES

4. Plaintiff is, and at all material times was, a resident of the State of California, and the County of San Diego. Plaintiff purchased a PS3 from Fry's Electronics in San Diego on or about December 20, 2008 for $399.99 plus tax.

5. Defendant Sony CEA is, and at all material times was, a corporation incorporated under the laws of the State of Delaware, with its principal place of business located in Foster City, California.

6. Defendant Sony CEA LLC is the successor-in-interest to Sony CEA. Sony CEA LLC is incorporated under the laws of the State of Delaware, with its principal place of business located in Foster City, California.

7. Defendants conduct business throughout the State of California, including through the direct sale of their merchandise in the State.

JURISDICTION & VENUE

8. This Court has jurisdiction pursuant to 28 U.S.C. § 1332(d) because some Class members' citizenship are diverse from Defendants, there are more than 100 class members, and the amount in controversy is well in excess of $5 million.

9. Venue properly lies in this district pursuant to 28 U.S.C. § 1391(b)(2) because a substantial part of the events or omissions giving rise to Plaintiff's claims occurred in the Northern District of California. Venue also properly lies in this district under 28 U.S.C. § 1391(c) because Defendants' corporate headquarters and principal place of business are in the Northern District of California.

GENERAL ALLEGATIONS

10. Sony CEA released the PS3 in November, 2006 amid a marketing campaign that emphasized the PS3's non-gaming features such as the Other OS feature. This feature gave PS3 users the ability to install another operating system, such as Linux, in addition to the primary PS3 system software. Sony CEA highlighted this additional feature, among others, to distinguish the PS3 from its competitors. Sony CEA also used the Other OS feature to justify the PS3's steep retail price.

11. In marketing the Other OS feature, Sony CEA represented on its website "playstation.com" that when it designed the PS3, "it was fully intended that you, a PS3 owner, could play games, watch movies, view photos, listen to music, and run a full-featured Linux operating system that transforms your PS3 into a home computer."

12. Plaintiff purchased a PS3 for the additional capabilities Sony CEA was advertising. Plaintiff also utilized the Other OS feature to install Linux on his PS3. This allowed Plaintiff to use his PS3 as a home computer.

13. In addition, by using the PS3 for all of these different functions, Plaintiff and the Class members have saved money by avoiding the need to purchase other electronic devices.

14. Despite prior representations that it would support the Other OS feature, on March 28, 2010, Sony CEA announced that its next software update (the "Update") would disable that feature. Sony CEA described the Update on its playstation.com website as follows:

> The next system software update for the PlayStation 3 (PS3) system will be released on April 1, 2010 (JST), and will disable the "Install Other OS" feature that was available on the PS3 systems prior to the current slimmer models, launched in September 2009. This feature enabled users to install an operating system, but due to security concerns, Sony Computer Entertainment will remove the functionality through the 3.21 system software update.
>
> In addition, disabling the "Other OS" feature will help ensure that PS3 owners will continue to have access to the broad range of gaming and entertainment content from SCE and its content partners on a more secure system.
>
> Consumers and organizations that currently use the "Other OS" feature can choose not to upgrade their PS3 systems, although the following features will no longer be available;
>
> - Ability to sign in to PlayStation Network and use network features that require signing in to PlayStation Network, such as online features of PS3 games and chat
> - Playback of PS3 software titles or Blu-ray Disc videos that require PS3 system software version 3.21 or later
> - Playback of copyright-protected videos that are stored on a media server (when DTCP-IP is enabled under Settings)
> - Use of new features and improvements that are available on PS3 system software 3.21 or later.

15. Although PS3 owners are not required to install the Update, failing to do so means those owners will lose access to additional valuable features, including, among others, the ability to: (1) watch new Blu-ray videos; (2) play PS3 games online; (3) play new PS3 games;

and (4) access the Playstation network (collectively, the "Additional Features"). Sony CEA unlawfully forced PS3 owners to give up either the Other OS feature or the Additional Features. Plaintiff did not want to lose the Other OS feature, so he has not installed the Update. But this has caused Plaintiff to lose access to the Additional Features, which he has used prior to April 1, 2010.

CLASS ACTION ALLEGATIONS

16. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, Plaintiff brings this action on his own behalf and on behalf of a nationwide class, including all United States territories, of all persons who owned a PS3 during the period of November 17, 2006 to March 27, 2010 and who did not sell their PS3 before March 27, 2010.

17. Excluded from the class are Defendants, any parent, subsidiary, or affiliate of Defendants, any entity in which Defendants have or had a controlling interest and any officer, director, employee, legal representative, predecessor, successor, or assignee of Defendants.

18. This action satisfies the criteria for certification under Federal Rule of Civil Procedure 23 and applicable case law:

(a) The Class members are numerous, numbering in the millions. Thus, joinder of all members is impracticable;

(b) There are questions of law or fact common to the Class members that predominate, including:

(i) whether Defendants violated California's Unfair Competition Law by forcing PS3 purchasers to choose between the Other OS feature and the Additional Features after originally using the Other OS feature to maximize Defendants' sales and by failing to inform the PS3 purchasers that they could not avoid making the choice;

(ii) whether Defendants violated California's Consumer Legal Remedies Act by inserting unconscionable terms into their Software Licensing Agreement and disabling valuable features from the PS3 that they used to market the product and indicated they would continue to support;

(iii) whether Defendants violated contractual covenants by issuing the Update for the purpose of materially impairing Plaintiff's and Class members' ability to use the PS3 functionalities;

(iv) whether Defendants were unjustly enriched by retaining the entire sales proceeds for the PS3 despite having disabled valuable features; and

(v) whether the Class members have sustained damages and/or other compensable losses/injuries;

(c) The claims asserted by Plaintiff are typical of the claims of the Class members;

(d) Plaintiff will fairly and adequately protect the interests of the Class members, and Plaintiff has retained attorneys experienced in consumer class actions and complex litigation;

(e) A class action is superior to other available methods for the fair and efficient adjudication of the controversy because joinder of all Class members is impractical. A class action will permit an orderly and expeditious administration claims, promote judicial economy and avoid inconsistent judgments. In addition, a class action is superior because Plaintiff seeks injunctive relief that applies to all Class members.

FIRST CLAIM FOR RELIEF
(California Business and Professions Code § 17200 et seq.)

19. Plaintiff incorporates by reference all allegations in the prior paragraphs as if fully set forth here.

20. A major selling point for the PS3, which Defendants advertised and marketed extensively, was the Other OS feature. Yet Defendants no longer support that feature, and now require PS3 purchasers to give up either the Other OS feature or the Additional Features. Plaintiff and the Class members therefore have been deprived of the benefit of their bargain.

21. Defendants' actions are a violation of California's Business and Professions Code section 17200, et seq., which prohibits any "unlawful, unfair or fraudulent business act or practice." Moreover, Defendants' advertisements relating to the PS3 were false, deceptive, and/or fraudulent. Defendants' unlawful conduct emanates from California and extends to the entire United States and its territories.

22. Had Plaintiff and the Class members known all of the material facts, they would not have purchased the PS3. As a direct and proximate consequence of Defendants' unlawful conduct, Plaintiff and the Class members suffered an ascertainable loss of money, including the purchase price of their PS3s.

23. For the above reasons, Defendants are liable to Plaintiff and the Class members for restitution, including a sum equal to the amount of all monies expended by Plaintiff and the Class members to purchase their PS3s or, alternatively, restitution of the full amount received by Defendants from the sale of the PS3s.

SECOND CLAIM FOR RELIEF
(Breach of Contract)

24. Plaintiff incorporates by reference all allegations in the prior paragraphs as if fully set forth here.

25. Among other things, Plaintiff and the Class members purchased their PS3s from defendants for both the Other OS feature and the Additional Features, which they believed would be available to them for the life of the product.

26. Plaintiff and the Class members have fulfilled their obligations under the sales contract by paying the PS3 asking price.

27. Despite their performance, Defendants failed to fulfill their promises when they forced PS3 owners to give up either the Other OS feature or the Additional Features.

28. By forcing purchasers to make that choice, Defendants have breached their contract with Plaintiff and the Class members. As a direct and proximate result of Defendants' conduct, Plaintiff and the Class members have suffered, and continue to suffer, harm.

THIRD CLAIM FOR RELIEF
(Breach of the Covenant of Good Faith and Fair Dealing)

29. Plaintiff incorporates by reference all allegations in the prior paragraphs as if fully set forth here.

30. By forcing Plaintiff and the Class members to make that choice, Defendants have breached the covenant of good faith and fair dealing.

31. As a direct and proximate result of Defendants' actions, Plaintiff and the Class members have suffered harm.

FOURTH CLAIM FOR RELIEF
(Unjust Enrichment)

32. Plaintiff incorporates by reference all allegations in the prior paragraphs as if fully set forth here.

33. By paying the PS3 purchase price, Plaintiff and the Class members conferred a substantial benefit upon Defendants.

34. Even though Defendants accepted these benefits, Defendants have unlawfully forced PS3 owners to choose between the Other OS feature and the Additional Features.

35. Defendants' unlawful conduct has unjustly enriched them at the expense of Plaintiff and the Class members and they are required to compensate Plaintiff and the Class members for harm they have caused.

36. As a direct and proximate result of Defendants' unjust enrichment, Plaintiff and the Class members have suffered injury and are entitled to reimbursement, restitution, and disgorgement by Defendants of the benefits conferred upon them by Plaintiff and the Class members.

FIFTH CLAIM FOR RELIEF
(California's Consumer Legal Remedies Act)

37. Plaintiff incorporates by reference all allegations in the prior paragraphs as if fully set forth here.

38. Defendants violated California's Consumer Legal Remedies Act by stating that the PS3 would support the Other OS feature and the Additional Features without telling the purchasers that they eventually would have to choose one or the other. Defendants' unlawful conduct emanates from California and extends to the entire United States and its territories.

39. Defendants also violated Civil Code §1770(19) by including the following unconscionable terms in the System Software License Agreement (the "License Agreement"): (1) "Some services may change your current settings, cause a loss of data or content, or cause

some loss of functionality"; and (2) "SCE, at its sole discretion, may modify the terms of this Agreement at any time, including any terms in the PS3TM system documentation or manual, or at http://www.scei.co.jp/ps3-license/index.html. Please check back on this website from time to time for changes to this Agreement. Your continued access to or use of the System Software will signify your acceptance of any changes to this Agreement."

40. Those terms are procedurally unconscionable because PS3 purchasers only received the License Agreement after they had purchased their PS3. Therefore, they had no meaningful choice whether to accept or reject those terms. Moreover, the terms were buried in the Licensing Agreement and were disguised by small-type.

41. Those terms are substantively unconscionable because they permit Defendants to unilaterally alter the PS3's functionality whenever they want and for whatever reason without regard for the rights and expectations of its customers. This provides Defendants with an unfair advantage over their customers.

42. The Licensing Agreement is therefore unconscionable and oppressive. Accordingly, Defendants should be enjoined from relying on it as a defense to this action. In addition, Defendants should be enjoined from forcing consumers to choose between the Other OS and the Additional Features.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff prays for judgment on behalf of himself and the Class members against Defendants as follows:

1. Certifying this action as a nationwide class action, including all United States territories, pursuant to Rule 23(a) and 23(b)(3) of the Federal Rules of Civil Procedure, with a class as defined in paragraph 1, above;

2. Regarding the First Claim for Relief, awarding Plaintiff and the Class members all appropriate equitable remedies, including restitution of all the money Plaintiff and the Class members paid for the purchase of their PS3s during the class period;

3. Regarding the Second Claim for Relief, awarding Plaintiff and the Class members all appropriate remedies, including damages as well as consequential and incidental damages;

4. Regarding the Third Claim for Relief, awarding Plaintiff and the Class members all appropriate remedies, including restitution and disgorgement of all profits unjustly obtained by Defendants;

5. Regarding the Fourth Claim for Relief, awarding Plaintiff and the Class members all appropriate remedies, including restitution and disgorgement of all profits unjustly obtained by Defendants;

6. Regarding the Fifth Claim for Relief, awarding Plaintiff injunctive relief only;

7. Awarding Plaintiff and the Class members pre-judgment interest, their costs and attorneys' fees; and

8. Awarding Plaintiff and the Class members such other and further relief as this Court deems just and proper.

DATED: May 6, 2010

CALVO & CLARK, LLP

By: _____
James A. Quadra

Attorneys for Plaintiff
KEITH WRIGHT

DEMAND FOR JURY TRIAL

Pursuant to Rule 38(b) of the Federal Rules of Civil Procedure, Plaintiff hereby demands a jury trial on any issue triable as right by a jury.

DATED: May 6, 2010

CALVO & CLARK, LLP

By: _____
James A. Quadra

Attorneys for Plaintiff
KEITH WRIGHT

EXHIBIT 3

Charles S. Bishop, CSB No. 99335
cbishop@connbish.com
Connor & Bishop
44 Montgomery Street, Suite 1750
San Francisco, CA 94104
Telephone 415.434.3006
Facsimile 415.434.1445

Attorney for Plaintiffs

UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF CALIFORNIA

JASON BAKER, SEAN BOSQUETT, FRANK BACHMAN, PAUL GRAHAM, and PAUL VANNATTA, Individually and on Behalf of All Others Similarly Situated,

Plaintiffs,

vs.

SONY COMPUTER ENTERTAINMENT AMERICA, LLC successor to SONY COMPUTER ENTERTAINMENT AMERICA, INC.

Defendant.

CASE NO. _____

COMPLAINT

CLASS ACTION

DEMAND FOR JURY TRIAL

Plaintiffs bring this class action complaint and allege as follows:

NATURE OF ACTION

1. SONY COMPUTER ENTERTAINMENT AMERICA, LLC successor to SONY COMPUTER ENTERTAINMENT AMERICA, INC. ("Sony") marketed and sold its PlayStation3 video game console ("PS3") as including valuable functions, such as the "Other OS" feature, unified online gaming service, PlayStation Network, multimedia capabilities, and Blu-ray technology. The PS3 could run a Linux operating system that transforms the PS3 into a home computer. Because of

such exceptional features, the PS3 was the most expensive gaming console on the market when launched in 2006.

2. Sony has now intentionally disabled valuable functions of the PS3 for which consumers paid a premium price over other gaming consoles. This retroactive crippling PS3 functionality breaches the contract between Sony and its PS3 customers, breaches the covenant of good faith and fair dealing, and violates the California Consumers Legal Remedies Act and Unfair Competition Law.

3. Plaintiffs seek to represent a class of all persons in the United States who purchased a PS3 during the period beginning November 17, 2006 through March 27, 2010, and still owned their PS3 as of March 27, 2010 ("Class"). Plaintiffs seek to recover for themselves and each Class member compensatory damages, restitution, injunctive relief, attorneys' fees, and the costs of this suit.

PARTIES

4. Plaintiff JASON BAKER is a resident of the State of North Dakota. Mr. Baker purchased a PS3 on or about March 15 or 16, 2007 for $599.99 plus tax.

5. Plaintiff SEAN BOSQUETT is a resident of the State of Florida. Mr. Bosquett purchased a PS3 on or about September 6, 2008 for $426.93 including tax.

6. Plaintiff FRANK BACHMAN is a resident of the State of South Carolina. Mr. Bachman purchased a PS3 on or about January 1, 2009 for $385.19 including tax.

7. Plaintiff PAUL GRAHAM is a resident of the State of Michigan. Mr. Graham purchased a PS3 during the class period.

8. Plaintiff PAUL VANNATTA is a resident of the State of Wisconsin. Mr. VanNatta purchased a PS3 on or about July 13, 2008 for $422.39 including tax.

9. Defendant Sony develops, markets, and sells PlayStation gaming consoles, including the "fat" PS3 at issue in this litigation. Defendant is a Delaware company headquartered in Foster City, California.

JURISDICTION AND VENUE

10. This court has jurisdiction over this matter pursuant to 28 U.S.C. §1332(d), as at least

one Class member is of diverse citizenship from Sony, there are more than 100 members of the proposed Class, and the amount in controversy exceeds $5 million.

11. Venue is proper in this district under 28 U.S.C. §1391(b)(2), as a substantial part of the acts, events or omissions giving rise to Plaintiffs' claims occurred in the Northern District of California.

12. Venue is also proper in this district under 28 U.S.C. §1391(c) because Sony's corporate headquarters and principal place of business is in the Northern District of California.

INTRADISTRICT ASSIGNMENT

13. Pursuant to Local Rules 3-2(c) and 3-5(b), this action should be assigned to the San Francisco Division of the Northern District because Sony resides in San Mateo County and a substantial part of the acts, events, or omissions giving rise to Plaintiffs' claims occurred in San Mateo County.

FACTUAL ALLEGATIONS

14. Defendant was founded in 1994 as the North American division of Sony Computer Entertainment, Inc., and according to its website, is responsible for the "continued growth of the PlayStation® market in the United States and Canada."

15. In 1995, the original PlayStation game console was introduced in the United States. More than 100,000 units were sold during its debut weekend and more than one million units were sold within the first six months.

16. The "fat" PS3 was manufactured, marketed and sold as having the following features:

> "In addition to playing games, watching movies, listening to music, and viewing photos, you can use the PS3™ system to run the Linux operating system. By installing the Linux operating system, you can use the PS3™ system not only as an entry-level personal computer with hundreds of familiar applications for home and office use, but also as a complete development environment for the Cell Broadband Engine™ (Cell/B.E.)."

http://www.playstation.com/ps3-openplatform/index.html

17. Sony said:

> "By installing the Linux operating system, you can use the PS3™ system not only as an entry-level personal computer with hundreds of familiar applications for home and office use, but also as a complete development environment for the Cell Broadband Engine™

(Cell/B.E.)."

http://www.playstation.com/ps3-openplatform/index.html

18. Sony's PS3 Manual, 2006-2010, provides:

"Install other system software on the hard disk. For information on types of compatible system software and obtaining the installer, visit Open Platform for PlayStation3."

http://manuals.playstation.net/document/de/ps3/current/settings/osinstall.html

19. In February 2007, Phil Harrison of Sony said:

"One of the most powerful things about the PS3 is the 'Install Other OS' option."

http://kotaku.com/235049/20-questions-with-phil-harrison-at-dice

20. Sony's PS3 Linux Distributor's Starter Kit, 2006-2009, provides:

"The Linux Distributor's Starter Kit provides information, binary and source codes to Linux Distribution developers who wants to make their distro support PS3."

http://www.kernel.org/pub/linux

21. In May 2006, Izumi Kawanishi of Sony said:

"Because we have plans for having Linux on board [the PS3], we also recognize Linux programming activities... Other than game studios tied to official developer licenses, we'd like to see various individuals participate in content creation for the PS3."

http://www.gamasutra.com/php-bin/news_index.php?story=9290

22. In August 2009, Geoffrey Levand of Sony said:

"Please be assured that SCE is committed to continue the support for previously sold models that have the "Install Other OS" feature and that this feature will not be disabled in future firmware releases."

Mailing list to PS3 customers using Linux.

23. In May 2006, Phil Harrison of Sony said:

"The Playstation 3 is a computer. We do not need the PC."

http://www.spiegel.de/netzwelt/web/0,1518,418642,00.html

24. Sony's own manual says:

"It was fully intended that you, a PS3 owner, could play games, watch movies, view photos, listen to music, and run a full-featured Linux operating system that transforms your PS3 into a home computer."

http://www.gamespot.com/news/6162316.html?tag=result;title;0

25. As detailed above, Sony engaged in a long term advertising campaign in which it uniformly and repeatedly represented that the PS3 has the ability to install "Other OS" (operating systems such as Linux) and can operate as a computer. While the "fat" PS3 does not include Linux pre-installed, Sony included an option in the XMB menu to install other operating systems such as Linux.

http://manuals.playstation.net/document/en/ps3/current/settings/osinstall.html

26. Sony's own manual says:

> "It was fully intended that you, a PS3 owner, could play games, watch movies, view photos, listen to music, and run a full-featured Linux operating system that transforms your PS3 into a home computer."

http://www.gamespot.com/news/6162316.html?tag=result;title;0

27. Sony sold the "fat" PS3 with the intention that reasonable consumers would rely on their material representations about PS3 functions and features. It should come as no shock that Plaintiffs and the Class actually relied upon their representations and purchased a "fat" PS3 expecting those features. Plaintiffs and the Class actually relied upon Sony's representations and purchased a "fat" PS3 expecting those features, and would not have purchased a PS3 at the price paid without those features.

28. Sony recently affirmed it's continued commitment to support the full features on the "fat" original PS3 units via mailing list posts:

> " The feature of "Install Other OS" was removed from the new "Slim" PS3 model to focus on delivering games and other entertainment content. Please be assured that SCE is committed to continue the support for previously sold models that have the "Install Other OS" feature and that this feature will not be disabled in future firmware releases. Although it's disappointing that Sony have removed the feature from new models, It's good to have this public assurance from Sony that at least the feature won't be removed from older models which are already working. Please understand that in my position as PS3-Linux maintainer I can really only provide users with technical support for Linux and the LV1 hcall interface. The text above was provided to me by SCE management. If you have any questions regarding it or any other feature of the PS3 please contact the Playstation Customer Support in your country. Using Playstation

> Customer Support will insure your inquiry is processed through the correct channels within SCE. -Geoff"

http://lists.ozlabs.org/pipermail/cbe-oss-dev/2010-February/007202.html

29. Less than one month later, Sony reversed its position by announcing that the "Other OS" capability of the original model PS3s would be removed with PS3 Firmware 3.21 on April 1, 2010.

http://blog.eu.playstation.com/2010/03/29/ps3-firmware-3-21-coming-april-1st/

30. On April 1, 2010, Sony released Firmware update 3.21 for the PS3, which mandates:

> "The next system software update for the PlayStation 3 (PS3) system will be released on April 1, 2010 (JST), and will disable the "Install Other OS" feature that was available on the PS3 systems prior to the current slimmer models, launched in September 2009. This feature enabled users to install an operating system, but due to security concerns, Sony Computer Entertainment will remove the functionality through the 3.21 system software update.
>
> In addition, disabling the "Other OS" feature will help ensure that PS3 owners will continue to have access to the broad range of gaming and entertainment content from SCE and its content partners on a more secure system. Consumers and organizations that currently use the "Other OS" feature can choose not to upgrade their PS3 systems, although the following features will no longer be available:
>
> 1. Ability to sign in to PlayStation Network and use network features that require signing in to PlayStation Network, such as online features of PS3 games and chat.
> 2. Playback of PS3 software titles or Blu-ray Disc videos that require PS3 system software version 3.21 or later.
> 3. Playback of copyright-protected videos that are stored on a media server (when DTCP-IP is enabled under Settings).
> 4. Use of new features and improvements that are available on PS3 system software 3.21 or later."

http://blog.us.playstation.com/2010/03/28/ps3-firmware-v3-21-update/comment-page-43/#comments

EXAMPLES OF CONSUMER FRUSTRATION

31. In essence, Plaintiffs are given a Hobson's choice in which they either irrevocably lock out the other operating system/home computer feature of their "fat" PS3, or keep their other operating system/home computer functionality and lose the ability to play new games, upcoming

Blu-rays, and access PlayStation Network games. Either choice results in Sony taking something Plaintiffs purchased, in which they have a vested interest, and diminishes the value of their "fat" PS3 system.

32. The fact that consumers reasonably expected to have and retain full PS3 functionality after purchase is reflected in the following owner complaints:

> I bought a PlayStation 3 for $600 US Dollars on November 17, 2006 advertised as a Computer Entertainment System with a feature that allowed consumers to install Linux as an operating system. This feature was called Other OS from system menu which allowed users to use the machine not just as a console but also as a computer. On April 1, 2010 Sony updated the console's firmware and removed this feature and no longer can the console be used as a computer. The console which I bought for 600 US dollars has now the same features as the newer cheaper low end models. . . .I am seeking a new firmware which will put back the promised feature that was once advertised as being part of the product or a refund.

http://forums.gametrailers.com/thread/why-are-people-so-pissed-about/1045716?page=4

> I'll start by saying I have been a loyal sony customer and have bought all their systems at launch since the ps1. they have done a few dirty things but it wasn't until today until my eyes finally opened to see what an evil company full of liars sony really is. I mean this isn't the first time sony has lied to us, but to me this is the same as theivery. I bought a ps3, waited a week in freezing rain and paid 600 dollars for it under the impression I would have a system that could use linux, I've spent YEARS learning and playing with linux on my ps3, and 3 years later sony steals it back. A FEATURE THAT THEY ADVERTISED. I feel like I've been stabbed in the back by my best friend. I was the one who was defending the ps3 from all the haters during its first couple years when it had pretty much no games. I hope sony realizes they have pulled a benedict arnold and have betrayed the most loyal of their consumers with this move. now I have to buy a new ps3 to keep the feature? HA! no more, sony. enough is enough. I'm contacting the better business bureau today to see what can be done about this treason. also I'm not updating my system and I plan on selling it in the very near future if something isn't done.

http://boardsus.playstation.com/t5/PlayStation-3-Updates/Former-Sony-supporters/td-p/45468864/page/9;jsessionid=5CDBFE6684B1F4FE71318BCE7D0D7352

> I don't know how you figure. It absolutely entered my cost benefit analysis when choosing between PS3 and Xbox360. The PS3 needed every advantage it could get at launch and running linux was something the others could not claim. Remember, at the time there was no reason to believe that Blu Ray was going to be the standard. The only real advantage the PS3 had over the Xbox was Other OS. Xbox had more gamers and more games, still does. Xbox was already established in the market and many people had friends who were already using it. Both do High def 720p vs 1080p big deal, regardless image quality has been proven exactly the same time and again at all the review sites.Both have online features, Xbox is paid but the PS3 cost twice as much for the machine. Xbox had and still has the advantage with developers, see Carmack's latest statement on PS3 development. PS3 could run Linux, Xbox had no answer.
>
> It factored into my decision and you'd be silly to think that it didn't factor into other people's decision as well since the PS3 had many disadvantages.

http://boardsus.playstation.com/t5/PlayStation-3-Updates/conclusion-about-Other-OS-removal/td-p/45482145/page/4;jsessionid=C4EA02F5E4DC23A3D2BE40112FC6E8D7 (message 36; at 04-05-2010 01:30 PM)

> I see in the news today that Sony is forcing me to make the decision: Keep my OtherOS install (software that I paid for) or keep my DLC working (other software that I paid for) -- It seems that soon enough I will not be permitted to keep both. This is an outrageous decision by Sony to be stripping away software that I have already purchased.
>
> I am posting here to express my extreme disappointment in Sony over this decision. Like other features present in earlier models, Sony was honest and upfront about the fact they would be removing OtherOS support from their newest incarnation. When the Slim PS3 was announced, I *purposely* bought the 80GB "fat" PS3 so that way I could run the OtherOS. The OtherOS feature played a significant role in my decision to purchase Sony over *"that other box*".
>
> Since buying the Sony box I've made numerous purchases from the PSN Store as well. Now Sony is telling me that I have to choose which purchases to give up because they aren't going to let me keep both. I am not sure how Sony believes they are entitled to revoke either one of these features: I have paid for my PS3 and the OtherOS, I continue to pay for PSN Content and I have never violated any of their ToS or given them any other reason to disable my account and/or the software that I have already purchased.
>
> "Disgusted" is the best way to summarize my sentiments towards Sony at this time.
>
> Why would I continue to purchase software from either a retailer or the PSN Store when Sony believes they can take it back at any time they like?
> What prevents Sony from disabling other features that I paid for with my PS3, such as the media player, USB Storage support or heaven forbid even the Bluray drive?
> At this point in time the only decision I am sure of is to halt purchasing any PS3 hardware, retail games or any DLC from the PSN Store. I am not going to give another dime to a company who believes they have the right to remotely disable my software or hardware when I have done nothing wrong. I expect Sony to address these legitimate concerns shared by myself and countless others.

Incredibly disappointed with my choice to purchase Sony, -Brandon

http://boardsus.playstation.com/t5/PlayStation-3-Updates/Not-Happy-About-OtherOS-Removal/td-p/45450175

> put linux on my ps3 cause I could. Now my hard drive is partitioned and what is the use of reformatting when all my copy protected stuff ain't gonna backup? Go buy a slim just to keep my files? FU sony this blows. I said it on the blog and I'll say it here: Worst update EVER.
> Message no. 5,03-29-2010at 11:55A.M
> available at:

http://boardsus.playstation.com/t5/PlayStation-3-Updates/Not-Happy-About-OtherOS-Removal/td-p/45450175/page/6

> You can't compare the removal of backwards compatability with the removal of OtherOS support. Sony never took backwards capability away form users that had it included in their system. They had to purchase a system that did not included backwards compatability. Here they are removing a feature that was originally part of the purchsed unit. Its kind of like going out and buying a PS3 with a 160gig hdd

and then sony changing the OS to only support hdd of size 10. You bought a unit with 160 gig hdd you expect to be able to access and use all 160 gigs not only 10gigs. 03-29-2010 02:09 PM ; Message 71 at:

http://boardsus.playstation.com/t5/PlayStation-3-Updates/Not-Happy-About-OtherOS-Removal/td-p/45450175/page/8

I am also very unhappy with this move on Sony's part. I bought the PS3 as both a Linux system, so I could learn how to develop on the Cell BE, and as a gaming system. I was very happy with Sony's progressive move in allowing Linux to be installed. Now they force me into this dilemma: Keep my Cell BE devleopment environment and lose access to PSN, or keep my access to PSN and lose my devevelopment environment. I am officially an unhappy customer. I want to use your fine products, Sony. I really do. But forcing me into a decision where I lose half the value of my system is destined to make me look elsewhere in the future. Please reverse this decision, and give those of us who enjoy gaming and using Linux on your system a reason to be happy with you. 03-29-2010 03:49 PM Message 82

http://boardsus.playstation.com/t5/PlayStation-3-Updates/Not-Happy-About-OtherOS-Removal/td-p/45450175/page/9

Dear Sony, I am deeply disappointed to see that you will be removing the other OS feature from my PS3. It really bothers me as a consumer that you would advertise a feature for the PS3 such as this and then take it away a few years later. I feel like I have been very loyal to you as a customer by purchasing a PS, PS2, PS3, PSP, LCD TV, home theater system, and countless games and other accessories from you. The fact you would remove the other OS feature and call it optional is like a slap in the

face after my years of support to the company. I bought my PS3 a few months after having my computer stolen and the ability to install linux and satisfy my basic home computing needs convinced me that I could afford to buy a PS3 for $500. Since that time I have bought many blu ray movies and games for my PS3. So for me to lose either gaming/movies/PSN access would be devastating as would losing word processing/online banking/enhanced internet browsing. As a longtime loyal customer, I really hope you reconsider removing this feature you promised when I bought my system. 03-30-2010 07:47 PM Message108 at

http://boardsus.playstation.com/t5/PlayStation-3-Updates/Not-Happy-About-OtherOS-Removal/td-p/45450175/page/11

This is exactly the point I've been trying to get across. linux functionality is a huge part of my decision. its removal is nothing other than bait & swich, which btw IS illegal. as is being blackmailed 2 either give in or be effectively banned from psn for it. linux was also part of my decision to choose PS3 over that other system. Since sony has revoked my legal right to use what I paid for and used legally I have revoked sonys right to sell me more of their products. As I've previously stated I will be making thousands of dollars of electronics purchases over the next 12 months, sales that will now be going directly to sony's competitors instead of sony. The moral of this lurid tale that sony failed to heed is "screw they customer & screw thyself"04-01-2010 11:10 PM Message 120 at

http://boardsus.playstation.com/t5/PlayStation-3-Updates/Not-Happy-About-OtherOS-Removal/td-p/45450175/page/12

I have been a follower of Playstation products from PSX to PS2, to PSP, to PS3. I have bought ALL of your systems, in fact multiple PSPs (diff generations) and I must

> say, I am VERY dissapointed in how this is turning out. My god Sony, this is like THEFT. I bought the console knowing that I could use it as a console / computer / BluRay play combo. Now, if you took away say, Bluray playing; now THAT would be the exact same thing you are doing here; removing a much touted feature that was on the box and advertised. Sony, think long and hard about this.

http://blog.us.playstation.com/2010/03/28/ps3-firmware-v3-21-update/comment-page-132/#comments #6589 on April 7th, 2010 at 8:00 am

> People would probably be more upset if all of them realized this update is essentially the same as having someone break into your home and threaten you into letting them throw away a computer that you Purchased from them¼They're just breaking into your house and holding your family and friends (PSN) hostage until you agree to throw that cell processor based linux PC with an endless supply of free open-source applications¼ out into the trash! (even though physically it's going to continue to take up space in your living room as a gaming system¼Yep, there's definitely a reason to be a little ticked off.. and if companies can do this to their customers now, then the future seems pretty damn bleak. Message 6194 April 4th, 2010 at 8:56 pm available at

http://blog.us.playstation.com/2010/03/28/ps3-firmware-v3-21-update/comment-page-124/#comments

> This is ridiculous decision by Sony. I'm never buying a Sony product again. As a consumer we make our purchases based on features and functionality being advertised. When I purchased my PS3 this feature was one which swayed my decision to buy a PS3. Taking away a feature we paid for and expected after dishing out a ridiculous amount of money for the console; then only to take it away in this update is ethically and morally wrong. Sony should be ashamed. In addition to deny us the ability to play the games we purchased already unless we update is bs. This is the last straw for me. After the 3 day outage that occurred a month or two ago this was their 3rd strike on my list. I'm gonna trash my ps3 and go get a xbox. Message no. 5903,April 3rd, 2010 at 10:22 am available at

http://blog.us.playstation.com/2010/03/28/ps3-firmware-v3-21-update/comment-page-119/#comments

> I bought a 60GB Playstation(R)3 in 11/07 for $500 because it was marketed as being able to be used as a computer by installing another operating system to it. This feature was highly publicized and played a pivotal role in my decision to buy the product. The "System Update" version 3.21, which was released on April 1, 2010 did not add any features or security patches. The 3.21 update disables the "Other OS (Operating System)" feature. If you do not download and install the "Update" you are not allowed to play games online, which is also a key feature. Thank you for your time. Message no.5725, April 2nd, 2010 at 4:20 pm available at

http://blog.us.playstation.com/2010/03/28/ps3-firmware-v3-21-update/comment-page-115/#comments

> Here's a big screw u Sony from me & all the other linux PS3 users out there!The two reasons I purchased an original PS3 was for the BC & Linux abilities. I really hope someone sues them for this.FW updates continue to kill peoples consoles, I've had to pay three times now to have it repaired.How the hell can you sell something then take away its abilities?It's like selling a car & then removing the dashboard.Someone needs to start regulating this sort of thing so these big companies stop screwing over their customers.If you don't update you can't use any online features which are also

> a part of what the PS3 is supposed to do.Really, really sick of this continuing gabage!* Would love to have used much stronger words in this post!!! Message no. 2137 on March 29th, 2010 at 11:23 pm available at:

http://blog.us.playstation.com/2010/03/28/ps3-firmware-v3-21-update/comment-page-115/#comments

> Believe it or not some of us are actually educated consumers. When the PS3 was launched I read the entire box, I researched online, I watched Tv Shows about it, I read magazines, I looked on websites¼so YES I did know about the "other OS" option! Are you a SONY Tool? I love their machines I've had PS1,PS2,& PS3's never owned an xbox. Don't you get the principle of right & wrong? It's as simple as THIS: I bought something. It said it would do something & now it won't = wrong. Message no. 2143, March 29th, 2010 at 11:22 pm available at:

http://blog.us.playstation.com/2010/03/28/ps3-firmware-v3-21-update/comment-page-43/#comments

> When I purchased my ps3, I was definitely under the impression that the linux capability would never be removed. When the slim came out, Sony repeatedly stated that this was true, putting me under an even stronger impression that this would never, and could never be removed. Then they removed it citing vague "security" reasons. That is not and should not be my concern, that should be Sony's concern. Taking away something I already own is not a valid solution. It definitely does reduce the value of the ps3 from what it originally was. Depending on how much people use this feature, people with have different opinions as to how much the value has been reduced. There is no argument anyone can give me that will convince me that my ps3 would not lose value no matter if this update is applied or not. The very existence of the update itself causes a loss of value, as there is no way to retain the original value of your ps3 at purchase, which included this feature, and allowed online games, etc. By value I don't mean cost, but functionality, which is what I used to determine whether the initial cost of the ps3 was worth it or not. 04-02-2010 04:21 AM Message 521 at

http://boardsus.playstation.com/t5/PlayStation-3-Updates/FW-3-21-and-Consumer-Right-s-Law-No-Conjecture-Just-Facts/td-p/45454241/highlight/true/page/53

> Apparently, contacting the Better Businesss Bureau is a waste of time as Sony has a "F" rating with them.

http://www.bbb.org/greater-san-francisco/business-reviews/computers-software-and-services/sony-computer-entertainment-america-in-foster-city-ca-16128

CLASS ACTION ALLEGATIONS

33. Plaintiffs bring this action on their own behalf and, pursuant to Rule 23 of the Federal Rules of Civil Procedure, on behalf of a nationwide Class of all persons who purchased a PS3 during the period from November 17, 2006 through March 27, 2010, and who still owned their PS3 as of March 27, 2010.

34. Excluded from the Class are Defendant and any Sony parent, subsidiary, or affiliate of Sony, any entity in which Sony has or had a controlling interest, or which Sony otherwise controls

or controlled, and any officer, director, employee, legal representative, predecessor, successor, or assignee of Defendant Sony.

35. This action is brought as a class action for the following reasons:

a. Numerosity: The Class consists of millions of PS3 purchasers and is therefore so numerous that joinder of all members is impracticable;

b. Commonality: Common questions of law or fact predominate over any questions affecting only individual members of the proposed Class. Common questions include:

I. whether Sony breached contractual obligations by issuing firmware 3.21 for the purpose of crippling Plaintiffs' and other Class members' ability to use the PS3 features for which they had paid;

ii. whether Sony violated the covenant of good faith and fair dealing;

iii. whether Sony unjustly enriched itself by retaining the entire sales price for the PS3 despite having disabled valuable functions for which users initially paid;

iv. whether Sony violated the Consumer Legal Remedies Act (CLRA);

v. whether Sony violated the Unfair Competition Law (UCL);

vi. whether Sony's conduct was "unfair" within the meaning of the UCL;

vii. whether Sony's conduct was "unlawful" within the meaning of the UCL;

viii. whether Sony's conduct was "fraudulent" within the meaning of the UCL.

c. Typicality: The claims asserted by Plaintiffs are typical of the claims of the members of the Class;

d. Adequacy: Plaintiffs will fairly and adequately protect the interests of the Class. Plaintiffs have retained attorneys experienced in class and other complex litigation;

e. Superiority: A class action is superior to other available methods for the fair and efficient adjudication of the controversy, for at least the following reasons:

I. Absent a class action, Class members as a practical matter will be unable to obtain relief from Sony's violations of its legal obligations and Sony will continue to retain

its ill-gotten gains;

ii. It would be a substantial hardship for most individual members of the Class if they were forced to prosecute individual actions given the sums at issue;

iii. When the liability of Sony has been decided, the Court will be able to determine the claims of all members of the Class;

iv. A class action will permit an orderly and expeditious administration of Class claims, foster economies of time, effort, and expense and ensure uniformity of decisions; and

v. The lawsuit presents no difficulties that would impede its management by the Court as a class action;

f. Sony has acted on grounds generally applicable to all Class members, making class-wide relief appropriate; and

g. The prosecution of separate actions by individual members of the Class would create a risk of incompatible standards of conduct for Sony and of inconsistent or varying adjudications for all parties.

FIRST CAUSE OF ACTION
(Breach of Contract)

36. Plaintiffs repeat and reallege the allegations contained in Paragraphs 1 through 35 as if fully set forth herein.

37. Each Plaintiff purchased a PS3 with the justified expectation that Sony would continue to support the Other OS function and other features and would not deliberately cripple those functions. Plaintiffs and the other Class members paid more than they would have for competing video consoles in order to obtain these added features.

38. Plaintiffs and the Class have fulfilled their obligation to Defendant Sony under the sales contract by paying the PS3 asking price.

39. Despite the full performance by Plaintiffs and other Class members, Sony issued Update 3.21, which forced purchasers to either install the firmware and lose the use of the Other OS function or to give up other features and functions for which they had paid.

40. By forcing purchasers to give up the use of PS3 functions for which they paid, Sony has materially breached its contract with Plaintiffs and the Class.

41. Sony has breached the parties' contract, forcefully withdrawn part of the benefit of the bargain, and is liable to Plaintiffs and the Class.

SECOND CAUSE OF ACTION
(Breach of the Covenant of Good Faith and Fair Dealing)

42. Plaintiffs repeat and reallege the allegations contained in Paragraphs 1 through 41 as if fully set forth herein.

43. As a direct and proximate result of Sony's actions, Plaintiffs and the Class have suffered, and continue to suffer, injury in fact and have lost money.

44. Plaintiffs and the Class purchased PS3s with the expectation that they would be able to continue to use all original functions for as long as they owned their PS3.

45. Sony has forced purchasers to give up some of the functions and performance for which they contracted. Consequently, Plaintiffs and the Class have not received the benefit of their bargain with Sony, and the essential purpose of the PS3 sales contract has been frustrated.

46. Sony has therefore breached the covenant of good faith and fair dealing and is liable to Plaintiffs and the Class.

THIRD CAUSE OF ACTION
(California Unfair Competition Law)

47. Plaintiffs repeat and reallege the allegations contained in Paragraphs 1 through 46 as if fully set forth herein.

48. California's Unfair Competition Law, Business and Professions Code section 17200, et seq., prohibits any "unlawful, unfair or fraudulent business act or practice."

49. Sony promoted the availability of the Other OS feature, as well as other PS3 features, and support of those functionalities by Sony. Sony has unilaterally withdrawn that availability and support, and Plaintiffs and the Class have thereby been deprived of the benefit of their bargain. Sony's conduct is fraudulent under the Unfair Competition Law.

50. Forcing purchasers to choose between the Other OS function and gaming features is unfair because the injury to consumers is substantial, is not outweighed by any countervailing

benefits to consumers or Sony's competition, and is not an injury consumers themselves could reasonably have avoided. As a result of Sony's wrongful conduct, the Plaintiffs and the Class lost money.

51. Plaintiffs and the Class lost money by purchasing a PS3 without receiving the benefit of their bargain because the product is not what it was claimed to be – a game console that would provide both the Other OS feature and gaming functions.

52. Sony's advertisements concerning the PS3 were untrue, deceptive and/or misleading. Sony's advertisements induced Plaintiffs and the Class to make purchases they would not have made if they had been in possession of all of the material facts.

53. As a direct and proximate consequence of Sony's conduct, Plaintiffs and the Class suffered an ascertainable loss of money, including but not necessarily limited to the purchase price of PS3s, the amount of such loss to be determined at trial.

54. By reason of the foregoing, Sony is liable to Plaintiffs and the Class for restitution, including a sum equal to the amount of a refund of all monies acquired by reason of Sony's sale of PS3s.

FOURTH CAUSE OF ACTION
(California's Consumers Legal Remedies Act)

55. Plaintiffs repeat and reallege the allegations contained in Paragraphs 1 through 54 as if fully set forth herein.

56. In making the representations and omissions described herein, Sony violated California's Consumers Legal Remedies Act by representing that the PS3 had characteristics, uses, or benefits which it did not have, in violation of Civil Code §1770(a)(5). Specifically, Sony represented that the PS3 had the Other OS feature while simultaneously omitting the material fact that the Other OS feature would likely not be available in the future. Therefore, Plaintiffs and members of the Class seek appropriate injunctive relief.

57. Sony also violated Civil Code §1770(a)(19) by inserting one or more unconscionable provisions into a contract. Sony's insertion of the following clauses into the System Software License Agreement was unconscionable:

> "Some services may change your current settings, cause a loss of data or content, or cause some loss of functionability."
>
> "SCE, at its sole discretion, may modify the terms of this Agreement at any time, including any terms in the PS3TM system documentation or manual, or at http://www.scei.co.jp/ps3-license/index.html. Please check back on this website from time to time for changes to this Agreement. Your continued access to or use of the System Software will signify your acceptance of any changes to this Agreement."

58. Sony used its superior bargaining strength to impose those terms upon customers, and customers had no meaningful choice whether to accept or reject these provisions. The System Software License Agreement was the product of oppression and the lack of negotiation, not any meaningful choice.

59. After contracting for the purchase of a PS3, Plaintiffs and the Class had no ability to negotiate the System Software License Agreement's terms, which was only provided to them after they purchased the PS3.

60. In addition, Sony placed these provisions within its small-type, prolix form, under unclear headings.

61. These provisions are, accordingly, procedurally unconscionable.

62. Sony sought by these terms to create for itself an unlimited ability to alter the System Software License Agreement and the functions of the PS3 as it saw fit and without any consideration to Plaintiffs or other Class members.

63. These provisions are one-sided, unreasonably favorable to Sony, uniquely favor Sony at the expense of customers, and Sony clearly buried these terms in its standard-form contract to gain unfair advantage over its customers.

64. These terms are substantively oppressive because they reallocate risk between consumers and Sony in an objectively unreasonable and unexpected manner by permitting Sony to change the System Software License Agreement and the PS3 functionalities to protect its interests in complete derogation of the rights of consumers.

65. Consequently, these provisions are unduly oppressive and unconscionable.

66. Therefore, if Sony seeks to defend its conduct based on these provisions, Plaintiffs and the Class request injunctive relief requiring Sony to cease enforcement of the unconscionable

contract provisions.

RELIEF REQUESTED

WHEREFORE, Plaintiffs ask the Court to enter judgment against Sony as follows:

A. Certify this action as a class action, pursuant to Rule 23(a) and 23(b)(3) of the Federal Rules of Civil Procedure;

B. Award Plaintiffs and the Class all appropriate remedies, including but not limited to damages;

C. Restitution of all or part of the money paid and disgorgement of all profits unjustly retained by Sony;

D. Plaintiffs' injunctive relief;

E. Interest, costs and attorneys' fees; and

F. Such other and further relief as this Court deems just and proper.

DATED: April 30, 2010

Connor & Bishop

By: _____
Charles S. Bishop, Esq.
Attorney for Plaintiffs

DEMAND FOR TRIAL BY JURY

Pursuant to Rule 38 of the Federal Rules of Civil Procedure, Plaintiffs hereby demand a trial by jury.

DATED: April 30, 2010

Connor & Bishop

By: _____
Charles S. Bishop, Esq.
Attorney for Plaintiffs