

**KLIPSCH SWEEPSTAKES
OFFICIAL SWEEPSTAKES RULES**

NO PURCHASE OR PAYMENT OF ANY KIND IS NECESSARY TO ENTER OR WIN. A PURCHASE OR PAYMENT WILL NOT INCREASE OR IMPROVE YOUR CHANCE OF WINNING. MANY MAY ENTER, FEW WILL WIN.

The Sweepstakes begins at 12:01AM Pacific Time (“PT”) on August 16, 2010 and ends at 11:59PM PT on September 15, 2010 (“Sweepstakes Period”), after which time the Sweepstakes will be closed and no further Entries (defined below) shall be accepted. Sponsor’s computer is the official time keeping device for the Sweepstakes. The Sweepstakes is subject to these Official Rules (the “**Official Rules**”), and by entering, entrant agrees to be bound by them.

ELIGIBILITY: Void where prohibited by law. Unless otherwise exempted or excluded herein, the Sweepstakes is open only to legal residents of Canada who are of the legal age of majority in the province or territory in which they reside, or older, at the time of entry. **This Sweepstakes is void in the province of Quebec.** Employees, directors and officers of Sponsor, its licensors and prize providers, and each of their promotion agencies and other parties involved in the implementation and execution of the Sweepstakes and their respective parent companies, subsidiaries and affiliates (“Sweepstakes Entities”), as well as members of such employees, directors and officers’ immediate families (spouses, children, siblings, parents) or households (whether or not related), are not eligible to participate in the Sweepstakes. Winners shall be required to sign an Affidavit of Eligibility and Liability/Publicity Release (the “Affidavit/Release”) as a condition to the delivery of the applicable prize.

HOW TO ENTER: To enter, visit www.newegg.ca (the “Website”) during the Sweepstakes Period, complete the online entry form with the required information (“Entry”) and submit the completed Entry as directed. **ALL ENTRIES MUST BE RECEIVED BY THE SWEEPSTAKES DEADLINE.** Limit: One (1) Entry per person/email address during the Sweepstakes Period. In the event more than one (1) Entry is received from any one person/email address during the Sweepstakes Period, the first Entry processed will be considered the only valid entry received for the Entry Period. All Entries become the sole property of the Sponsor and none will be returned for any reason.

No copies, facsimiles or mechanical reproductions of Entries will be accepted. SPONSOR expressly reserves the right to disqualify any Entries, in its sole discretion, that appear to be generated by a so-called “spam” or automated e-mail program or via scripts and automated submission.

Sweepstakes Entities are not responsible for incorrect or inaccurate transcription of Entry information, or for any human or other error, technical malfunctions, lost/delayed data or voice transmission, omission, interruption, deletion, defect, line failures of any telephone network, computer equipment, software, inability to access any online service or Website or to complete a telephone call or facsimile transaction, or any other error or malfunction, or late, lost or misdirected mail, or any injury or damage to participant’s or any other person’s computer related to or resulting from participation in this Sweepstakes. **CAUTION: ANY ATTEMPT BY AN ENTRANT OR ANY OTHER INDIVIDUAL TO DELIBERATELY DAMAGE ANY WEBSITE, TAMPER WITH THE ENTRY PROCESS, OR OTHERWISE UNDERMINE THE LEGITIMATE OPERATION OF THE SWEEPSTAKES MAY BE A VIOLATION OF CRIMINAL AND CIVIL LAWS AND SHOULD SUCH AN ATTEMPT BE MADE, SPONSOR RESERVES THE RIGHT TO PROSECUTE ANY SUCH INDIVIDUAL(S) AND TO PURSUE ALL REMEDIES TO THE FULLEST EXTENT PERMITTED BY LAW.**

PRIZES AND ODDS OF WINNING:

TWO (2) GRAND PRIZE winners will each receive **one (1) Klipsch Image X10 Headphones** (ARV CDN\$360.49)

FOUR (4) FIRST PLACE PRIZE winners will each receive **one (1) Klipsch iGroove™ SXT iPOD/Computer Speaker (N82E16855998485)** (ARV CDN\$199.99)

TWO (2) SECOND PLACE PRIZE winners will each receive **one (1) Klipsch Image S4-White 3.5mm Connector Canal Headphones (N82E16826779011)** (ARV CDN\$108.99)

Total approximate retail value (“ARV”) of all prizes offered: CDN\$1,738.92. Entries and prizes are nontransferable. Prize restrictions may apply per the prize provider issuing the prize. All prizes will be awarded if the number of eligible entries received equals or exceeds the number of prizes. One prize per person.

Odds of winning depend upon the number of eligible Entries received during the Entry Period.

WINNER SELECTION: A random drawing will take place within 10 business days after the Sweepstakes entry deadline from among all eligible entries received. The drawing will be conducted by the Sponsor at its offices located at 17708 Rowland Street, City of Industry, California USA. The decisions of the Sponsor are final and binding in all matters relating to this Sweepstakes. The potential winners will be notified by the Sponsor by telephone (if available) or email and by a one-time publication of the names of the winners in the next regularly-scheduled issue of the Newegg newsletter following the drawing date. If such notification is undeliverable or no response is received by Sponsor from the potential prize winner within seven (7) business days of the date of notification or attempted notification, then such potential prize winner will be disqualified, and an alternate winner may be selected in Sponsor’s sole discretion. Potential prize winner (or parent or legal guardian if potential prize winner is considered a minor in the legal jurisdiction of his or her residence) will be required to execute and return an Affidavit of Eligibility/Release of Liability within seven (7) business days of the date of issuance of such documents. Potential prize winner’s failure to return all required forms in this seven (7) business day time period may result in the potential prize winner being disqualified and an alternate winner may be selected at Sponsor’s sole discretion. There shall be no allocation of prizes based upon the province or territory of the entrants. *Each selected winner resident will be required to correctly answer a time-limited skill testing question without assistance in order to be eligible to receive a prize or such prize will be forfeited.*

GENERAL CONDITIONS AND RELEASES: An entrant or winner may be disqualified from the Sweepstakes if he or she fails to comply with each provision of these official rules, as determined in the sole discretion of SPONSOR.

In the event of a dispute regarding the identity of the person submitting the entry, the entry will be deemed to be submitted by the person whose name is registered to the e-mail account, and should the person not be able to prove his/her identity against the registered name the entrant will be rejected and result in the disqualification of the entrant from the Sweepstakes.

Any prize awarded to an entrant who is a Canadian resident (a “Canadian Winner”) will be awarded by Newegg Canada Inc. Each Canadian Winner shall be responsible for all insurance and all Canadian federal, provincial, territorial and/or local taxes on the value of his or her prize. In the event Sponsor is required to report the value of a Canadian Winner’s prize to any Canadian or U.S. authorities, each entrant agrees to the disclosure of such information and agrees to complete any form required by law in connection with such disclosure. If a Canadian Winner refuses to complete any such form required by law

or refuses to provide his/her Social Insurance Number if required by law, the winner will be disqualified and an alternate winner will be selected in accordance with these Official Rules.

All prizes offered are being provided “as is” with no warranty or guarantee by Sponsor, either express or implied. All warranties and/or guarantees on a prize (if any) are subject to the respective manufacturer’s terms therefor, and winners agree to look solely to such manufacturer(s) for any such warranty and/or guarantee.

Entries and prizes are non-transferable. All prizes will be awarded. Prizes may not be transferred, assigned, substituted or redeemed for cash except in Sponsor’s sole discretion. Sponsor reserves the right, in its sole discretion, to substitute a prize of equal or greater monetary value or cash value for any prize.

A prize will be distributed within thirty (30) calendar days after the winner of such prize has been successfully contacted, has successfully completed the winner verification process set forth in Section 8 of these Official Rules and has fulfilled all other requirements of these Official Rules. A prize winner who fails to take delivery of his or her prize within thirty (30) calendar days after such prize is first deposited in the mail or delivered to a shipping company for delivery shall be disqualified and such prize shall be forfeited.

Sponsors’ failure to enforce any term of these Official Rules shall not constitute a waiver of that provision. If for any reason the Sweepstakes is not capable of being executed as planned, or if computer viruses, bugs, tampering, unauthorized intervention, fraud, action of entrants, technical failures or any other cause corrupts or affects the administration, security, fairness, integrity or proper conduct of these Sweepstakes, Sponsor reserves the right at its sole discretion to disqualify any suspect Entry or entrant and/or to cancel, terminate, modify or suspend the Sweepstakes. In such event, Sponsor reserves the right, in its sole discretion, to award the prizes at random from among the eligible, non-suspect Entries received up to the time of impairment. An entrant or winner may be disqualified from the Sweepstakes if, in the Sponsor’s sole discretion, he or she (a) fails to comply with each provision of these Official Rules, as determined in the sole discretion of the Sponsor, (b) tampers or attempts to tamper with the entry process or the operation of the Sweepstakes, and/or (c) acts in an unsportsmanlike or disruptive manner, or with the intent to annoy, abuse, threaten or harass any other person.

By participating, an entrant (if deemed a minor in the jurisdiction he/she resides, his/her parent and/or legal guardian) agrees to forever and irrevocably release Sweepstakes Entities, and each of their respective directors, officers, agents, employees, shareholders, affiliates, successors and assigns (“Released Parties”), from any and all liability, claims, lawsuits, causes of action, proceedings, demands, judgments, expenses, costs, injuries, death, losses or damages of any kind caused by the Sweepstakes and any element or activity thereof, Entrant’s participation, entry or inability to participate or enter the Sweepstakes, the unauthorized or illegal access to personally identifiable or sensitive information collected by Sponsor, the acceptance, possession, use, redemption of, delivery of, inability to use, defect in, or misuse of the prize, SPONSOR’s administration of the Sweepstakes, the lost, damaged, misdirected, or late delivery of the prizing, the collection, sharing and/or use of the entrant’s personally identifiable information by Sponsor or its designees and any violation of any publicity, privacy, property or proprietary rights of entrant, or any errors in the Official Rules or any promotional materials with respect to the Sweepstakes.

Released Parties shall not be liable for 1) failed, returned or misdirected notifications based on inaccurate information provided by the winner on the sweepstakes entry form, 2) Entries and responses to winner notifications which are lost, late, incomplete, illegible, unintelligible, postage-due, misdirected, damaged or otherwise not received by the intended recipient in whole or in part or for computer or technical error

of any kind, 3) any electronic miscommunications or failures, technical hardware or software failures of any kind, lost or unavailable network connections, or failed incomplete, garbled or delayed computer transmissions which may limit an entrant's ability to participate in the Sweepstakes, 4) any technical malfunctions of the telephone network, computer on-line system, computer equipment, software, program malfunctions or other failures, delayed computer transactions or network connections that are human, mechanical or technical in nature, or any combination thereof, including any injury or damage to entrant's or any other person's computer related to or resulting from downloading any part of this Sweepstakes or 5) any warranty of fitness or merchantability of any prize or the function or operation thereof, which shall be the sole responsibility of the manufacturer of the prize.

Unless prohibited by applicable law, entry constitutes permission to use an entrant's name, photograph, likeness, voice, address (city and state) and testimonials throughout the universe, in all media, in perpetuity, in any manner SPONSOR deems appropriate for publicity purposes without any further compensation to such entrant.

No more than the stated number of prizes will be awarded. If, as a result of error relating to the entry process, drawing or any other aspect of the Sweepstakes, there are more selected winners than contemplated in these Official Rules, there will be a random draw among all eligible selected winners after the Sweepstakes Period to award the correct number of prizes.

DISPUTES: Entrants (but if deemed a minor in the jurisdiction in which he or she resides, their parents and legal guardians), agree that (a) any and all disputes, claims and causes of action arising out of, or connected with, the Sweepstakes or any prize awarded shall be resolved individually, without resort to any form of class action, and exclusively by the appropriate court located in Los Angeles County, California, U.S.A.; (b) any and all claims, judgments, and awards shall be limited to actual out-of-pocket costs incurred, including costs associated with entering this Sweepstakes but in no event attorneys' fees; and (c) under no circumstances will Entrant be permitted to obtain awards for, and Entrant hereby waives all rights to, claim punitive, incidental and consequential damages and any other damages, other than out-of-pocket expenses, and any and all rights to have damages multiplied or otherwise increased. **SOME JURISDICTIONS DO NOT ALLOW THE LIMITATIONS OR EXCLUSION OF LIABILITY FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES, SO THE ABOVE MAY NOT APPLY TO YOU.** All issues and questions concerning the construction, validity, interpretation and enforceability of these Official Rules, Entrant's rights and obligations, or the rights and obligations of the Sponsor in connection with the Sweepstakes, shall be governed by, and construed in accordance with, the laws of the State of California, without giving effect to any choice of law or conflict of law rules (whether of the State of California or any other jurisdiction), which would cause the application of the laws of any jurisdiction other than the State of California. If any court of competent jurisdiction determines that California law should not apply to the interpretation of these Sweepstakes, then these Sweepstakes shall be governed by and construed in accordance with the laws of the Province of Ontario. If any court of competent jurisdiction determines that the federal and state courts are not the appropriate venue in which to litigate any disputes, claims, controversies and causes of action arising out of or connected with the Sweepstakes, then venue shall be in the Province of Ontario. In the event of any discrepancy or inconsistency between the English language version of these Official Rules and the French language version of these Official Rules, if any, the English language version shall govern and control. The parties hereto have requested that this Sweepstakes be drawn up in the English language. Les parties aux presentes ont exige que ce contrat soit redige dans la langue anglaise seulement.

PRIVACY/USE OF PERSONAL INFORMATION: All information about a Sweepstakes entrant who is a resident of any province or territory of Canada and is collected by Sponsor in connection with the Entries will be subject to Sponsor's privacy policy available on its www.newegg.ca website. Each entrant acknowledges and agrees that, in the event these Sweepstakes are deemed subject to Quebec law, Sponsor

may furnish to the Regie des alcools, des courses et des jeux in Quebec, the name and address of each winner of a Sweepstakes prize worth more than CAD \$100.00, along with the value of the prize received by that winner.

AGREEMENT TO THE OFFICIAL RULES: By participating in the Sweepstakes, each party who submits or attempts to submit an Entry fully and unconditionally agrees to and accepts these Official Rules (which are posted at www.newegg.ca during the Sweepstakes Period) and the decisions of the Sponsor, which are final and binding in all matters related to the Sweepstakes. Winning any prize is contingent upon fulfilling all requirements set forth herein.

OFFICIAL RULES/WINNERS LIST: To receive a copy of the Official Rules or complete list of winners, send a self addressed stamped envelope, no later than December 31, 2009, to: Newegg Canada Inc., 17708 Rowland Street, City of Industry, California 91748. Specify “Klipsch Launch Sweepstakes Winners List” or “Official Rules”.

SPONSOR: Newegg Canada Inc., 16839 E. Gale Avenue, City of Industry, CA 91745 (“SPONSOR”).