

Last Revised: 7/02/02



This HDCP Component License Agreement (the "Agreement") is effective as of latest date set out on the signature page hereof (the "Effective Date") by and between Digital Content Protection, L.L.C., a Delaware limited liability company ("Licensor") and the entity named on Exhibit E.

WITNESSETH

WHEREAS, Intel Corporation ("Intel") has developed a certain proprietary technology for high-bandwidth digital content protection for the purposes of enabling a protected, interoperable video connection between certain digital devices and digital display monitors to allow display of such content while inhibiting copying;

WHEREAS, Intel has authorized Licensor to grant certain rights relating to such technology, and to license certain patent claims, on behalf of, and as an authorized agent (solely with respect to licensing such claims) for, Intel, to HDCP licensees;

WHEREAS, Adopter wishes to receive from Licensor, and Licensor wishes to grant, such rights and license to use such technology in connection with certain of Adopter's components;

NOW THEREFORE, in consideration of the covenants and agreements herein, Licensor and Adopter hereby agree as follows:

1. DEFINITIONS

- 1.1. "Adopter" means the entity named on Exhibit E and includes its Affiliates.
- 1.2. "Adopter Agreement" means this Agreement and any other license agreement entered into by a Person with Licensor pursuant to which such Person is authorized to implement HDCP in Licensed Products or Licensed Components.
- 1.3. "Affiliate" means, unless specifically agreed otherwise in writing by Licensor and such Person, with respect to any Person, any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such Person. "Control" means the possession of beneficial ownership of more than 50% of the stock or other similar interest entitled to vote for election of the Board of Directors or similar managing authority.
- 1.4. "Annual Fee" shall have the meaning given in Section 4.1.

- 1.5. "Audiovisual Content" means audiovisual works (as defined in the United States Copyright Act as in effect on January 1, 1978), text and graphic images.
- 1.6. "Compliance Rules" means the technical requirements set out in Exhibit C, as such exhibit may be amended by Licensor from time to time.
- 1.7. "Compliant" means, with respect to a product, that such product is in compliance with all applicable Compliance Rules and Robustness Rules.
- 1.8. "Confidential Information" means any and all information relating to HDCP or the business practices of Licensor, Founder or any Affiliate thereof, made available to Adopter by Licensor or its designee, Founder, any Fellow Adopter, Content Participant, System Operator or any Affiliate of the foregoing, including but not limited to specifications, software, hardware, firmware, documentation, designs, flow charts, technical data, outlines, blueprints, notes, drawings, prototypes, templates, systems, manuals, know-how, processes and methods of operation, trade secrets, business plans, strategies, concepts, research, data bases, client or customer lists, financial data, other data or information that relates to any past, present or future research, development or business activities of Licensor, Founder or any Affiliate thereof, and any other confidential or proprietary information belonging to Licensor or Founder or Affiliate thereof, in each case, where such information is marked "confidential" when disclosed in written form or indicated as "confidential" when disclosed orally, and confirmed in writing within thirty (30) days to be confidential.
- 1.9. "Content Participant" means a Person that (a) distributes, or causes or permits the distribution or transmission of, Audiovisual Content owned or licensed by such Person in commercial quantities, or via mass distribution channels, such as broadcast, satellite or cable transmission, to the general public in a form that would, in the course of transmission up to and including the display of such Audiovisual Content, use a channel protected by HDCP and (b) has executed a Content Participant Agreement with Licensor. Licensor will identify Content Participants periodically. For the avoidance of doubt, and without limiting any term of this Agreement, "Content Participant" (and "Eligible Content Participant" under Section 1.16) include a Person who has executed a Content Participant Agreement with Licensor before or after the date of this Agreement.
- 1.10. "Content Participant Agreement" means an "HDCP Content Participant Agreement" entered into by and between Licensor and an owner or licensor of Audiovisual Content which relates to the protection of such content by HDCP.
- 1.11. "Content Participant Non-Assertion Claims" means, with respect to Licensor, Founder, Key Generator, any Fellow Adopter, Content Participant or System Operator or any Affiliate of any of the foregoing, any claims of infringement or misappropriation that a Content Participant promises not to assert or maintain against such Person pursuant to such Content Participant's Content Participant Agreement.

- 1.12. "Contract Year" means any one-year period beginning on the Effective Date or any anniversary thereof.
- 1.13. "Device Key" means a cryptographic value provided to a Fellow Adopter by Licensor or its designee for use in a Licensed Product .
- 1.14. "Device Key Set" means a set of Device Keys provided to a Fellow Adopter by Licensor or its designee for use in a Licensed Product . Device Key Sets are required in order for Licensed Products to operate.
- 1.15. "Effective Date" shall have the meaning given in the preamble to this Agreement.
- 1.16. "Eligible Content Participant" means a Content Participant that (a) has not asserted or maintained, and whose Affiliates (as defined in said Content Participant's Content Participant Agreement) have not asserted or maintained, at any time after September 1, 1999 (including prior to the effective date of its Content Participant Agreement), any Content Participant Non-Assertion Claim against Licensor, Founder, Key Generator, any Fellow Adopter, Content Participant, System Operator or any Affiliate of the foregoing and (b) is deemed an "Eligible Content Participant" under its Content Participant Agreement.
- 1.17. "Eligible System Operator" means a System Operator that (a) has not asserted or maintained, and whose Affiliates have not asserted or maintained, at any time after September 1, 1999 (including prior to the effective date of its System Operator Agreement), any System Operator Non-Assertion Claim against Licensor, Founder, Key Generator, any Fellow Adopter, Content Participant or System Operator or any Affiliate of the foregoing and (b) is deemed an "Eligible System Operator" under its System Operator Agreement.
- 1.18. "Fellow Adopter" means Adopter and any other Person that has entered into an Adopter Agreement with Licensor, and includes such Person's Affiliates.
- 1.19. "Founder" means Intel Corporation.
- 1.20. "HDCP" means that certain method for encryption, decryption, key exchange, authentication and renewability that is described with specificity in the HDCP Specification. For avoidance of doubt, HDCP may include the optional method for encryption, decryption, key exchange, authentication and renewability set forth in the HDCP Auxiliary Data Extensions.
- 1.21. "HDCP Associate" shall mean any Person that has executed an agreement (other than an Adopter Agreement) with Licensor relating to the resale, distribution or testing of Licensed Components and is designated an HDCP Associate by Licensor.
- 1.22. "HDCP Associate Agreement" shall mean an agreement entered into between an HDCP Associate and Licensor and which is designated as an HDCP Associate Agreement by Licensor.

- 1.23. "HDCP Auxiliary Data Extensions" means that certain optional alternative method for encryption and decryption that is described with specificity in Appendix C, "Extensions to Support Auxiliary Data", of the HDCP Specification.
- 1.24. "HDCP Content" means Audiovisual Content that has been encrypted using HDCP, including HDCP-encrypted content that has subsequently been decrypted. For avoidance of doubt, "HDCP Content" does not include content that has never been encrypted with HDCP.
- 1.25. "HDCP Specification" means the specification entitled "HDCP Content Protection Specification, Release 1.1" (including the "Errata" thereto), as such specification may be amended from time to time pursuant to Section 5.
- 1.26. "Highly Confidential Information" means Device Keys, Device Key Sets, intermediate cryptographic values and other values identified as requiring confidentiality in Appendix B to the HDCP Specification, any other proprietary information disclosed to any Person by Licensor, its designee, or Founder or any Affiliate thereof that is marked "Highly Confidential" when disclosed in written or electronic form, and any other proprietary information from which any of the foregoing can be derived.
- 1.27. "Key Generator" means the generator of Device Keys, KSVs, and System Renewability Messages designated by Licensor.
- 1.28. "KSV" or "Key Selection Vector" means the numerical values associated with a Device Key Set and distributed by Licensor or its designee to Fellow Adopters and used to support authentication of Licensed Products and revocation.
- 1.29. "Licensed Component" means a product, such as an integrated circuit, circuit board, or software module, that is designed to be used as part of a Licensed Product and that embodies a portion of the HDCP Specification, but that does not embody the entire HDCP Specification or does not completely satisfy the Compliance Rules and the Robustness Rules.
- 1.30. "Licensed Product" means a product or combination of Licensed Source Components, including but not limited to a software application, hardware device or combination thereof, that (a) implements the HDCP Specification and complies with all requirements of the HDCP Specification not expressly identified as optional or informative and (b) is Compliant.
- 1.31. "Licensed Source Component" means a Licensed Component that (a) is designed to be used solely in Source Device in combination with one or more other Licensed Source Components to form a Licensed Product and (b) complies with all provisions of the Compliance Rules applicable to Licensed Source Components and with Section 4 of the Robustness Rules.
- 1.32. "Necessary Claims" means claims of any patent or patent application that are necessarily infringed by those portions of Licensed Products and Licensed Components that implement HDCP and are owned or controlled by Founder,

Adopter, any Fellow Adopter, any Content Participant or any Affiliate thereof or any System Operator or any Affiliate thereof. "Necessary Claims" do not include any (a) claims relating to aspects of any technology, codec, standard or product that is not itself part of, and disclosed with particularity in, the HDCP Specification (including, by way of example, DVI, HDMI, CSS, MPEG, DTCP, Upstream Protocol, IEEE 1394 and tamper resistance technology) even though such technology, codec, standard or product may otherwise be mentioned in or required by the HDCP Specification, Compliance Rules or Robustness Rules; (b) claims with regard to which it would be possible to build a product in compliance with the HDCP Specification without infringing such claim (even if in the same patent as Necessary Claims); (c) claims which, if licensed, would require a payment of royalties by the licensor to unaffiliated third parties; (d) claims that read solely on any implementation or use of any portion of the HDCP Specification where such implementation or use is not within the scope of the license granted to any Fellow Adopter, Content Participant or System Operator under their respective Adopter Agreement, Content Participant Agreement or System Operator Agreement; or (e) claims relating to watermarking technology, semiconductors and semiconductor manufacturing technology, compiler technology, programming language, object-oriented technology, operating systems, middleware and database technology, or networking, intranet, extranet or Internet technology.

- 1.33. "Non-Assertion Claims" means, with respect to Licensor, Founder, Key Generator, any Fellow Adopter, Content Participant or System Operator or any Affiliate of any of the foregoing, any claims of infringement or misappropriation that Adopter promises not to assert or maintain against such Person pursuant to Sections 2.2 and 2.3.
- 1.34. "Person" means any natural person, corporation, partnership, or other entity. "Presentation Device" shall have the meaning given in the Compliance Rules.
- 1.35. "Procedural Appendix" means Exhibit A hereto, as such exhibit may be amended by Licensor from time to time in accordance with the terms of this Agreement.
- 1.36. "Related Fellow Adopter" shall have the meaning given in Section 3.4 of the Procedural Appendix.
- 1.37. "Repeater" shall have the meaning given in the Compliance Rules.
- 1.38. "Repeater Function" shall have the meaning given in the Compliance Rules.
- 1.39. "Revocation" or "Revoked" shall have the meaning given in Section 1.40.
- 1.40. "Revoke" means, with respect to a Key Selection Vector, to distribute information, as authorized or provided by Licensor, to Content Participants for purposes of their distributing such information with Audiovisual Content in order to cause such Key Selection Vector in Presentation Devices or Repeaters to be invalidated with respect to such content (generally, "Revocation" or "Revoked"). Adopter is advised that, although neither this Agreement nor the HDCP Specification

imposes any obligation on a Licensed Product with respect to how such Licensed Product should respond to such invalidation of a KSV, the license agreements relating to other technologies implemented in a product containing an HDCP-protected connection may impose such requirements.

- 1.41. "Robustness Rules" means Exhibit D hereto, as such exhibit may be amended by Licensor from time to time in accordance with the terms of this Agreement.
- 1.42. "Shared Device Key Rules" shall have the meaning given in the Compliance Rules.
- 1.43. "Shared Device Key Set" shall have the meaning given in the Compliance Rules.
- 1.44. "Source Device" shall have the meaning given in the Compliance Rules.
- 1.45. "System Operator" means the provider of a satellite, cable or other conditional access service that transmits Audiovisual Content to the general public and that has executed a System Operator Agreement.
- 1.46. "System Operator Agreement" means an "HDCP System Operator Agreement" entered into by and between Licensor and a System Operator.
- 1.47. "System Operator Non-Assertion Claims" means, with respect to Licensor, Founder, Key Generator, any Fellow Adopter, Content Participant or System Operator or any Affiliate of any of the foregoing, any claims of infringement or misappropriation that a System Operator promises not to assert or maintain against such Person pursuant to such System Operator's System Operator Agreement.
- 1.48. "System Renewability Message" shall have the meaning given in the HDCP Specification.
- 1.49. "Upstream Protocol" means that certain method for linking software and hardware elements of an HDCP implementation that is described with specificity in the specification entitled "Upstream Link for High Bandwidth Digital Content Protection, Version, Revision 1.0 " as such specification may be amended from time to time.

2. LICENSE

- 2.1. **License.** Subject to the limitations set forth in Section 2.4 and the other terms and conditions of this Agreement, including but not limited to Adopter's compliance with Sections 2.2 and 2.3 and payment of all fees required hereunder, Licensor grants to Adopter a nonexclusive, nontransferable (except pursuant to Section 12.3), nonsublicenseable, worldwide license (a) on behalf of, and as an authorized agent solely with respect to the licensing of Necessary Claims for, Founder, under the Necessary Claims of Founder, as well as (b) under any trade secrets or copyrights of Founder or Licensor embodied in the HDCP Specification:
 - 2.1.1. to possess and use the HDCP Specification solely to develop Licensed Components in accordance with the terms of this Agreement; and

- 2.1.2. to make, have made (solely pursuant to Section 2.5), use, import, offer to sell (solely pursuant to Section 3.2) and sell (solely pursuant to Section 3.2) those portions of Licensed Components (other than Licensed Source Components) that implement HDCP solely for use and inclusion in Licensed Products, Licensed Components or Licensed Source Components by a Fellow Adopter or Founder or Affiliate thereof; provided that the license granted under this Section 2.1.2 shall extend only to those portions of Licensed Components that implement HDCP (other than Licensed Source Components) and, with respect to such Licensed Components (other than Licensed Source Components), shall extend only to such Licensed Components that are manufactured solely for use and inclusion in, and that are ultimately used and included in, Licensed Products, Licensed Components or Licensed Source Components by a Fellow Adopter consistent with such Fellow Adopter's license, or Founder or Affiliate thereof. Adopter's obligations with respect to verifying that the recipient of Licensed Components in fact uses and includes Licensed Components only in Licensed Products, Licensed Components and or Licensed Source Components shall be limited to verifying immediately prior to delivery that (i) the intended recipient is in fact a Fellow Adopter or other Licensor approved HDCP licensee, and (ii) Adopter has no reason to believe that the intended recipient is not in fact a Fellow Adopter or other Licensor approved HDCP licensee.
- 2.1.3. The licenses granted in Section 2.1.1 and Section 2.1.2 shall be construed to permit Adopter to use, make, and offer to sell Licensed Components to Fellow Adopters, Founder or Licensor, as part of demonstration platforms, and also deliver Licensed Components to non- Adopters but only for demonstration and evaluation purposes; provided that Adopter shall require and procure the return of such Licensed Component promptly upon completion of the demonstration and evaluation, any such delivery is subject to an applicable non-disclosure agreement between Adopter and the receiving party that contains terms and conditions (i) no less stringent than the confidentiality provisions set out in Exhibit B and (ii) expressly limits the receiving party's activities to its own internal evaluation for the purpose of determining whether to become Adopter's customer and become an Adopter itself. In no event may Adopter disclose to any third party for any reason (x) Highly Confidential Information or (y) any information derived from Highly Confidential Information. Adopter agrees and acknowledges that the fact that it has entered into a confidentiality agreement with an authorized third party shall not relieve Adopter of any of its obligations under this Agreement. No party authorized to receive any Licensed Component pursuant to this Section shall receive any license, sublicense, or implied license with respect to HDCP or any copyrights or trade secrets contained in the HDCP Specification or under any Necessary Claims, except as may be expressly granted by Licensor in writing. For avoidance of doubt, and without limiting any other term or condition of this Agreement, the license granted

under this Section 2.1 may be self terminated immediately by Licensor and/or Founder with respect to the entity named on Exhibit E and all of its Affiliates in the event that such entity or any of its Affiliates breaches Sections 2.2, 2.3 or 3 and fails to cure such breach within thirty (30) days following receipt of notice of breach as provided in Section 9.1.3.

- 2.2. **Fellow Adopter Non-Assertion.** Subject to the limitations set forth in Section 2.4, Adopter, on behalf of itself and its Affiliates, promises not to assert or maintain against Founder or any Affiliate thereof or any Fellow Adopter, any claim of infringement under any Necessary Claims, as well as under any trade secrets or copyrights embodied in the HDCP Specification, for activities or products for which any Fellow Adopter has been granted a license by Licensor under any trade secrets or copyrights embodied in the HDCP Specification or on behalf of and as authorized agent (solely with respect to the licensing of Necessary Claims) for, Founder, under Founder's Necessary Claims. Adopter, on behalf of itself and its Affiliates, further promises not to assert or maintain against Licensor, Founder or any Affiliate thereof or Key Generator, any claim of infringement or misappropriation for using, making, having made, offering for sale, selling and importing any Device Key or Device Key Set, or for using, copying, displaying, performing, making derivative works from (to the extent that such claim for making derivative works relates to intellectual property rights in or to the HDCP Specification or any portion thereof), or distributing the HDCP Specification.
- 2.3. **Content Participant and System Operator Non-Assertion.** Subject to the limitations set forth in Section 2.4, Adopter, on behalf of itself and its Affiliates, promises not to assert or maintain against any Content Participant, Eligible System Operator or any of their respective Affiliates any claim of infringement or misappropriation under any Necessary Claims, as well as under any trade secrets or copyrights embodied in the HDCP Specification, for such Content Participant's or System Operator's or Affiliate's causing or permitting the use of HDCP to protect Audiovisual Content.
- 2.4. **Limitations on Sections 2.1, 2.2 and 2.3.** The license and promises set out in Sections 2.1, 2.2, and 2.3 shall not extend to (a) features of a product that are not required to comply with, or aspects of any technology, codec, standard or product not disclosed with particularity in, the HDCP Specification, even if such technology, codec, standard, or product may be mentioned in the HDCP Specification, Compliance Rules or Robustness Rules (including, by way of example, DVI, HDMI, CSS, MPEG, IEEE 1394, DTCP, Upstream Protocol and tamper resistance technology), (b) features of a product for which there exists a noninfringing alternative, (c) with respect to the promises extended pursuant to Sections 2.2 and 2.3, any Person that is asserting or maintaining any claim of infringement or misappropriation or under a Necessary Claim, or under any trade secrets or copyrights embodied in the HDCP Specification, against the promisor, where the promisor is not in breach of its Adopter Agreement, Content Participant Agreement or System Operator Agreement, as the case may be, or (d) with

respect to the promises extended pursuant to Sections 2.2 and 2.3, any Person following termination of this Agreement by Licensor pursuant to Section 9.1.2(a) or 9.1.2(b), provided, however, that the promises extended pursuant to Sections 2.2 and 2.3 shall not be withdrawn with respect to any activities or products performed or made prior to the effective date of such termination.

- 2.5. **Have Made Obligations.** Adopter shall have the right under the licenses granted under Section 2.1 to have third parties ("Have Made Parties") make Licensed Components or subparts thereof for the sole account of Adopter, provided that such Licensed Components (a) are to be sold, used, leased or otherwise disposed of, by or for Adopter under the trademark, tradename, or other commercial indicia of Adopter or a Person to which Adopter is authorized hereunder to sell such Licensed Components and (b) are made by such Have Made Parties using designs whose underlying intellectual property rights are owned by Adopter. Adopter shall be fully responsible for such other Have Made Parties' compliance with all terms of this Agreement as if Adopter itself were performing such manufacture. Have Made Parties must be Fellow Adopters, Founder or Affiliates thereof or be subject to an applicable non-disclosure agreement with Adopter on conditions that are no less stringent than the confidentiality provisions set out in Exhibit B-1, and must include the "Third Party Beneficiary" provisions set out therein for Licensor and Content Participant, if such manufacture requires disclosure to such Have Made Parties of (i) Confidential Information, (ii) other information or materials from which Confidential Information could reasonably be derived or (iii) Highly Confidential Information, or (iv) other information or materials from which Highly Confidential Information could reasonably be derived. Adopter agrees and acknowledges that the fact that it has contracted with a Have Made Party shall not relieve Adopter of any of its obligations under this Agreement. Have Made Parties shall receive no license, sublicense, or implied license with respect to HDCP or any copyrights or trade secrets contained in the HDCP Specification or under any Necessary Claims.
- 2.6. **Proper Use.** The licenses granted herein are subject to the requirement that Adopter shall not produce or sell devices or software (a) under color of this Agreement, or (b) using Confidential Information or Highly Confidential Information, where such devices or software are designed to circumvent the requirements or effectiveness of the HDCP Specification.
- 2.7. **Liability for Affiliates.** The entity named on Exhibit E shall procure and be responsible for its Affiliates' compliance with the terms and conditions of this Agreement, and such entity and each of its Affiliates that exercises any of the rights or licenses granted hereunder shall be jointly and severally liable for any noncompliance by any such Affiliate with the terms and conditions of this Agreement.

3. DISTRIBUTION OF LICENSED COMPONENTS

- 3.1. **Licensed Components.** Licensed Components may only be sold or otherwise furnished to Fellow Adopters, HDCP Associates, Founder of any Affiliate

thereof, in each case, only for such purposes as are expressly permitted under such Person's Adopter Agreement or HDCP Associate Agreement, as the case may be, or to Founder or an Affiliate thereof.

- 3.2. **Licensed Products.** This Agreement does not authorize Adopter (i) to make, have made, sell, offer to sell or otherwise develop or distribute Licensed Products, or (ii) order, receive or otherwise possess or have access to Device Keys, Device Key Sets, KSVs, or System Renewability Messages.
- 3.3. **Facsimile Keys.** Adopter may be issued facsimile device keys or other facsimile cryptographic materials to assist it in its development purposes. Adopter is cautioned that such facsimile materials will not interoperate with commercial devices. Adopter shall treat all such materials as Confidential Information.
- 3.4. **Compliance.** Adopters that are licensed to make Licensed Products are obligated under their respective Adopter Agreements to comply with the Compliance Rules and Robustness Rules. Adopter is urged to become familiar with the Compliance Rules and Robustness Rules, attached hereto for convenience only, to assist Adopter develop Licensed Components for delivery to Fellow Adopters for incorporation into Licensed Products.

4. FEES

- 4.1. **Annual Fee.** Adopter shall, within thirty (30) days after the Effective Date, pay Licensor the annual fee set out in Section 1.1 of the Procedural Appendix (the "Annual Fee"). Upon each anniversary of the Effective Date (the "Annual Payment Date"), Adopter shall pay Licensor the Annual Fee, as such fee may be adjusted pursuant to Section 4.2, for the following year. Adopter shall not be entitled to any refund of any Annual Fee for any reason, except as expressly provided in this Agreement. Failure to pay the Annual Fee shall constitute a material breach of this Agreement unless cured as set forth in Section 9.1.3. The Annual Payment Date for any Adopter that has executed an earlier version of this Agreement shall continue to be the same Annual Payment Date referenced in such earlier version.
- 4.2. **Fee Adjustments.** Licensor may, upon notice to Adopter given at least ninety (90) days prior to any Annual Payment Date, modify the Annual Fee payable for the following year, provided that such change shall not exceed an amount commensurate with any increase in Licensor's costs (including but not limited to the cost of inflation).

5. CHANGES TO THE HDCP SPECIFICATION, COMPLIANCE RULES, ROBUSTNESS RULES AND PROCEDURAL APPENDIX

- 5.1. **Change Procedure.** Licensor may, from time to time, make changes to the HDCP Specification, Compliance Rules, Robustness Rules and Procedural Appendix, as Licensor deems necessary or appropriate, provided that (a) such changes shall not cause Licensed Products or Licensed Components manufactured prior to such changes to fail to operate with Licensed Products or Licensed

Components manufactured in accordance with such changes; (b) such changes shall not materially increase the cost or complexity of implementation of the HDCP Specification and (c) changes to any fees payable hereunder shall be made in accordance with Section 4. Notwithstanding the foregoing, Licensor may, at any time, make changes as necessary or appropriate to the HDCP Specification, Compliance Rules or Robustness Rules to correct errors or omissions therein or make changes that would clarify, but not materially amend, alter or expand the HDCP Specification, Compliance Rules or Robustness Rules.

- 5.2. **Effective Date of Changes.** Adopter shall comply with all changes to the HDCP Specification, Compliance Rules or Robustness Rules within (a) eighteen (18) months after notice to Adopter of changes to the HDCP Specification and (b) twelve (12) months after notice to Adopter of changes to the Compliance Rules or Robustness Rules. Unless otherwise expressly provided in this Agreement, Adopter shall comply with all changes to the Procedural Appendix within ninety (90) days after notice to Adopter of such changes.

6. PRIVACY

- 6.1. **Individual Privacy Respected.** Adopter shall not use any portion of the HDCP Specification, or any implementation thereof for the purpose of identifying any individual or creating, or facilitating the creation of, any means of collecting or aggregating information about an individual or any device or product in which HDCP, or any portion thereof, is implemented.

7. REVOCATION

- 7.1. Adopter is advised that the HDCP Specification includes means by which a Key Selection Vector in a Licensed Product may be revoked.

8. CONFIDENTIALITY

- 8.1. **Treatment.** Adopter shall comply with the terms of Exhibit B (the "Confidentiality Agreement").
- 8.2. **Compliance with Laws, Export.** Adopter shall comply with all applicable rules and regulations of the United States and other countries and jurisdictions, including but not limited to those relating to the export or re-export of commodities, software and technical data insofar as they relate to the activities under this Agreement. Adopter acknowledges that commodities, software and technical data provided under this Agreement may be subject to restrictions under the export control laws and regulations of the United States and other countries and jurisdictions, as applicable, including but not limited to the U.S. Export Administration Act and the U.S. Export Administration Regulations, as may be amended from time to time, and shall obtain any approval required under such laws and regulations whenever it is necessary for such export or re-export.

9. TERM/TERMINATION

- 9.1. **Term.** This Agreement shall be effective as of the Effective Date and shall remain in full force and effect until terminated in accordance with any of the following events:
- 9.1.1. **Termination by Adopter.** Adopter may terminate this Agreement at any time upon ninety (90) days notice to Licensor.
- 9.1.2. **Termination by Licensor.** Licensor may terminate this Agreement (a) for convenience at any time after the tenth anniversary of the Effective Date upon six (6) months notice to Adopter; (b) at any time upon six (6) months notice to Adopter if Licensor determines, in its sole discretion, that it is not commercially reasonable to carry on the business of licensing HDCP or (c) upon notice to Adopter if the use of HDCP is enjoined, or Licensor or Founder determines, in its sole discretion, that it may be enjoined, due to an alleged infringement of a third-party intellectual property right. In the event of termination pursuant to Section 9.1.2(a), Licensor shall refund to Adopter a percentage of the Annual Fee allocable to the portion of the then-current Contract Year following such termination, based on a pro-rata allocation of such Annual Fee. In the event of termination pursuant to Section 9.1.2(b) or (c), Licensor shall refund to Adopter the Annual Fee paid by Adopter for the then-current Contract Year.
- 9.1.3. **Breach.** In the event that either party (a) materially breaches any of its obligations hereunder, which breach is not cured, or is not capable of cure, within thirty (30) days after notice is given to the breaching party specifying the breach; or (b) repeatedly breaches any of its obligations hereunder and fails to cure and cease committing such repeated breaches within thirty (30) days after being given notice specifying the breaches, then the party not in breach may, by giving notice thereof to the breaching party, terminate this Agreement, upon the expiration of a thirty (30)-day period beginning on the date of such notice of termination, or in the event of a material breach that is not capable of cure within such thirty (30)-day period, upon such notice of termination.
- 9.1.4. **Other.** This Agreement will terminate automatically when all Adopter Agreements giving the right to implement HDCP in Licensed Products and Licensed Components have expired or have been terminated.
- 9.2. **Effect of Termination.** Upon termination of this Agreement, any licenses granted to or by Adopter hereunder immediately shall terminate and Adopter shall immediately cease all use of HDCP and the HDCP Specification; provided, however, that, except in the case of termination by Licensor pursuant to Section 9.1.3 or Section 9.1.2(c), Adopter may sell off and distribute its existing inventories of Licensed Components, in accordance with Section 2.1.2, for ninety (90) days after such termination. Within ninety (90) days (or, in the case of termination by Licensor pursuant to Section 9.1.3, thirty (30) days) after termination of this Agreement, Adopter shall return all Confidential Information and Highly Confidential Information to Licensor or, at Licensor's option, destroy

all such information in its possession, retaining no copies thereof, and certify such destruction in writing to Licensor. Adopter shall pay any outstanding fees within thirty (30) days of termination of this Agreement.

- 9.3. **Survival.** The following sections shall survive termination of this Agreement: 2.2, 2.3, 2.4, 2.6, 2.7, 6, 8, 9.2, 10, 11, 12 and this Section 9.3.

10. **DISCLAIMER & LIMITATION ON LIABILITY**

- 10.1. **Generally.** The terms of this Section 10 limit the ability of Adopter to recover damages from Licensor or Founder. The terms of this Section 10 are an essential part of the bargain, without which Licensor would not be willing to enter into this Agreement and Founder would not be willing to grant a license under its Necessary Claims.
- 10.2. **Disclaimer.** ALL INFORMATION, MATERIALS AND TECHNOLOGY, INCLUDING BUT NOT LIMITED TO HDCP, THE HDCP SPECIFICATION, DEVICE KEYS, DEVICE KEY SETS, KSVS AND SYSTEM RENEWABILITY MESSAGES, ARE PROVIDED "AS IS." LICENSOR, FOUNDER, KEY GENERATOR AND THEIR RESPECTIVE AFFILIATES MAKE NO REPRESENTATIONS OR WARRANTIES, EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, AND EXPRESSLY DISCLAIM IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE AND ANY EQUIVALENTS UNDER THE LAWS OF ANY JURISDICTION THAT MIGHT ARISE FROM ANY ACTIVITIES OR INFORMATION DISCLOSURES RELATING TO THIS AGREEMENT, ANY OTHER AGREEMENT OR ANY OTHER ACTIVITY OF LICENSOR OR FOUNDER. LICENSOR, FOUNDER, KEY GENERATOR AND THEIR RESPECTIVE AFFILIATES FURTHER DISCLAIM ANY WARRANTY THAT HDCP, DEVICE KEYS, DEVICE KEY SETS, KSVS, SYSTEM RENEWABILITY MESSAGES, THE HDCP SPECIFICATION, OR ANY IMPLEMENTATION OF THE HDCP SPECIFICATION, IN EACH CASE IN WHOLE OR IN PART, WILL BE FREE FROM INFRINGEMENT OF ANY INTELLECTUAL PROPERTY OR PROPRIETARY RIGHTS. WITHOUT LIMITING THE FOREGOING, LICENSOR, FOUNDER, KEY GENERATOR AND THEIR RESPECTIVE AFFILIATES DO NOT REPRESENT OR WARRANT THAT HDCP IS IMMUNE TO HACKING, CODE-BREAKING, PIRACY OR OTHER EFFORTS TO CIRCUMVENT HDCP.
- 10.3. **Limitation of Liability.** NONE OF LICENSOR, FOUNDER, KEY GENERATOR, AFFILIATES OF ANY OF THE FOREGOING, NOR ANY OF THEIR RESPECTIVE DIRECTORS, OFFICERS, AGENTS, MEMBERS, REPRESENTATIVES, EQUIVALENT CORPORATE OFFICIALS, OR EMPLOYEES ACTING IN THEIR CAPACITIES AS SUCH (COLLECTIVELY, THE "AFFECTED PARTIES") SHALL BE LIABLE TO ADOPTER FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL OR PUNITIVE DAMAGES ARISING OUT OF ANY CAUSE OF ACTION RELATING TO THIS AGREEMENT, OR BASED ON THE

MAKING, USING, SELLING, OFFERING FOR SALE OR IMPORTING ANY PRODUCTS OF ADOPTER THAT IMPLEMENT HDCP OR ANY PORTION OF THE HDCP SPECIFICATION, WHETHER UNDER THEORY OF CONTRACT, TORT, INDEMNITY, PRODUCT LIABILITY OR OTHERWISE. WITHOUT LIMITING THE FOREGOING, IN NO EVENT WILL THE AFFECTED PARTIES' AGGREGATE LIABILITY TO ADOPTER ARISING OUT OF ANY AND ALL CAUSES OF ACTION RELATING TO THIS AGREEMENT, OR BASED ON THE MAKING, USING, SELLING, OFFERING FOR SALE OR IMPORTING ANY PRODUCTS OF ADOPTER THAT IMPLEMENT HDCP OR ANY PORTION OF THE HDCP SPECIFICATION, WHETHER UNDER THEORY OF CONTRACT, TORT, INDEMNITY, PRODUCT LIABILITY OR OTHERWISE, EXCEED THE ANNUAL FEE ACTUALLY RECEIVED BY LICENSOR FROM ADOPTER UNDER THIS AGREEMENT DURING THE PRECEDING ONE-YEAR PERIOD. EXCEPT WITH RESPECT TO COMPONENT ADOPTER'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OR WITH RESPECT TO COMPONENT ADOPTER'S INDEMNIFICATION OBLIGATIONS PURSUANT TO THIS SECTION 10.3 COMPONENT ADOPTER SHALL NOT BE LIABLE TO AFFECTED PARTIES FOR ANY SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES.

11. REMEDIES

- 11.1. **Indemnification for Wrongful Acts of Adopter.** Adopter shall indemnify and hold harmless Licensor, Founder, Key Generator and their respective Affiliates, and each of their respective officers, members, representatives, agents, directors, equivalent corporate officials, and employees from and against any and all claims, actions, suits, proceedings or litigation, and any losses, deficiencies, damages, liabilities, costs and expenses, including but not limited to reasonable attorney's fees and all related costs and expenses, to be paid or otherwise incurred in connection with the defense of any claim, action, suit, proceeding or litigation, that result from any breach of any covenant, agreement, representation or warranty herein by Adopter or negligent acts committed by Adopter.
- 11.2. **Records Audit and Inspection.** Licensor shall have the right, at reasonable times and intervals, to have audited Adopter's books and records to ascertain the propriety of any payment hereunder. Such audit shall be undertaken at Licensor's sole expense, and the auditor, who shall be a Certified Public Accountant from a widely-recognized accounting firm, shall only disclose those matters that Licensor has the right to know under this Agreement, and the results of the audit shall be deemed confidential.
- 11.3. **Device Inspection.** Adopter acknowledges that Licensor may acquire products on the open market for examination. Adopter shall provide reasonable cooperation in affording Licensor a sample of any product distributed hereunder if requested by Licensor, and Adopter shall provide Licensor, once per model of product under the terms of a mutually acceptable non-disclosure agreement, the service manual for such product in order to aid Licensor in evaluation of such product. Adopter

may, at its option, provide additional information.

- 11.4. **Equitable Relief.** Due to the unique nature of certain provisions hereof and the lasting effect of and harm from a breach of such provisions, including but not limited to making available the means for widespread circumvention of HDCP and threatening the content protection of copyrighted works afforded by HDCP, if Adopter breaches its representations, covenants or obligations hereunder, the parties recognize and agree that money damages alone may not adequately compensate an injured Person, that injury to such Person may be irreparable, and that injunctive relief is an appropriate remedy to prevent further or threatened breaches of this Agreement.
- 11.5. **Liquidated Damages.** The parties agree that it would be impossible to estimate the amount of damages in the event of certain breaches of this Agreement. In the event of a material breach (a) of the Confidentiality Agreement, Adopter shall be liable to Licensor for not more than one million dollars (US \$1,000,000); and (b) that involves any other provision of this Agreement, Adopter shall be liable to Licensor in an amount equal to its profits on the affected devices or software, and in no event more than eight million dollars (US \$ 8,000,000). For purposes of this Section 11.5, a series of substantially related events shall constitute a single material breach. A breach shall be "material" for purposes of this section 11.5 only if it has resulted in or would be likely to result in commercially significant harm to users of HDCP, including but not limited to Fellow Adopters and Content Participants, or constitute a threat to the integrity or security of HDCP.
- 11.6. **Third-Party Beneficiary Rights.** Adopter's compliance with the terms and conditions of this Agreement is essential to maintain the value and integrity of HDCP. As part of the consideration granted herein, Adopter agrees that each Eligible Content Participant shall be a third-party beneficiary of this Agreement and shall be entitled to bring a claim or action to enforce rights against Adopter in accordance with the procedures set out in Section 2 of the Procedural Appendix with respect to Adopter's implementation of HDCP. Except as otherwise expressly provided in this Section 11.6, such rights shall be limited to seeking injunctive relief (a) against the manufacture, distribution, commercial use and sale of Adopter's products that are in material breach of the HDCP Specification, or (b) against disclosure of Highly Confidential Information in breach of this Agreement, or any violation of Section 3 or Section 6, that affects the integrity or security of HDCP. Reasonable attorneys' fees and costs shall be awarded to the prevailing party or parties in connection with any such third-party-beneficiary claim, provided, however, that no party shall be obligated to pay to the prevailing party or parties any such fees or costs that exceed, in the aggregate, one million dollars (US \$1,000,000) for such third-party-beneficiary claim.

12. MISCELLANEOUS

- 12.1. **Entire Agreement.** This Agreement, the exhibits hereto, and the HDCP Specification constitute the entire agreement between the parties with respect to the subject matter hereof and supersede all prior oral or written agreements,

correspondence, conversations, negotiations and understandings relating to the same subject matter. Except as otherwise provided herein, this Agreement shall not be modified except by written agreement dated subsequent to the Effective Date and signed by both parties.

- 12.2. **Currency.** All fees payable to Licensor hereunder shall be paid to Licensor in United States dollars by wire transfer or such other means as Licensor may reasonably specify.
- 12.3. **Assignment.** The rights and licenses granted under this Agreement to Adopter are personal to Adopter and shall not be assigned or otherwise transferred except: (a) with the written approval of Licensor; (b) to a corporation controlling, controlled by or under common control with Adopter or (c) to the purchaser of all or substantially all of the outstanding capital stock or assets and obligations of Adopter or the surviving entity in a merger, reorganization, or other business combination involving Adopter; provided notice of such assignment has been provided in advance to Licensor and the surviving or acquiring company has agreed in writing to be bound by the terms of this Agreement. Subject to the limitations set forth in this Agreement, this Agreement shall inure to the benefit of and be binding upon the parties, their successors and permitted assigns. Licensor may assign or transfer this Agreement to any Person that agrees to assume Licensor's obligations hereunder, and will provide Adopter with notice of such assignment or transfer.
- 12.4. **Presumptions.** In construing the terms of this Agreement, no presumption shall operate in either party's favor as a result of its counsel's role in drafting the terms or provisions hereof.
- 12.5. **Governing Law.** THIS AGREEMENT, AND ALL THIRD-PARTY BENEFICIARY CLAIMS BROUGHT HEREUNDER, SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO AGREEMENTS MADE AND TO BE PERFORMED ENTIRELY IN SUCH STATE.
- 12.6. **Consent to Jurisdiction.** IN CONNECTION WITH ANY LITIGATION BETWEEN THE PARTIES HERETO OR IN CONNECTION WITH ANY THIRD-PARTY BENEFICIARY CLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT, EACH PARTY IRREVOCABLY CONSENTS TO: (a) THE NON-EXCLUSIVE JURISDICTION AND VENUE IN THE FEDERAL AND STATE COURTS LOCATED IN THE COUNTY OF NEW YORK, NEW YORK, AND IN THE FEDERAL AND STATE COURTS LOCATED IN ANY COUNTY OF CALIFORNIA OR OREGON; AND (b) THE SERVICE OF PROCESS OF SUCH COURTS IN ANY MATTER RELATING TO THIS AGREEMENT BY PERSONAL DELIVERY OR BY MAILING OF PROCESS BY REGISTERED OR CERTIFIED MAIL, POSTAGE PREPAID, AT THE ADDRESSES SPECIFIED IN THIS AGREEMENT, OR TO THE AGENT TO BE APPOINTED PURSUANT TO SECTION 12.6.2.

- 12.6.1. ADOPTER WAIVES ANY OBJECTION TO THE JURISDICTION, PROCESS, AND VENUE OF ANY SUCH COURTS, AND TO THE EFFECTIVENESS, EXECUTION, AND ENFORCEMENT OF ANY ORDER OR JUDGMENT (INCLUDING, BUT NOT LIMITED TO, A DEFAULT JUDGMENT) OF SUCH COURTS PERTAINING TO THIS AGREEMENT, TO THE MAXIMUM EXTENT PERMITTED BY THE LAW OF THE PLACE WHERE ENFORCEMENT OR EXECUTION OF ANY SUCH ORDER OR JUDGMENT MAY BE SOUGHT AND BY THE LAW OF ANY PLACE WHOSE LAW MAY BE CLAIMED TO BE APPLICABLE REGARDING THE EFFECTIVENESS, ENFORCEMENT, OR EXECUTION OF SUCH ORDER OR JUDGMENT, INCLUDING PLACES OUTSIDE OF THE STATES OF NEW YORK, CALIFORNIA, OREGON AND THE UNITED STATES.
- 12.6.2. IF ADOPTER DOES NOT HAVE A PLACE OF BUSINESS IN ANY OF THE STATES OF NEW YORK, CALIFORNIA OR OREGON, IT SHALL APPOINT AN AGENT IN ANY SUCH STATE FOR ACCEPTANCE OF SERVICE OF PROCESS PROVIDED FOR UNDER THIS AGREEMENT AND SHALL NOTIFY LICENSOR OF THE IDENTITY AND ADDRESS OF SUCH AGENT WITHIN THIRTY (30) DAYS AFTER THE EFFECTIVE DATE.
- 12.7. **Notice.** Unless otherwise specified in this Agreement, all notices to be provided pursuant to this Agreement shall be given in writing and shall be effective when either served by personal delivery or upon receipt via certified mail, return receipt requested, postage prepaid, overnight courier service or sent by facsimile transmission with hard copy confirmation sent by certified mail, in each case to the party at the addresses set out on the signature page hereof. Notices to be provided by Licensor pursuant to Section 3 of the Procedural Appendix may be provided by electronic mail.
- 12.8. **Severability; Waiver.** In the event that any part or parts of this Agreement is (are) judicially declared to be invalid, unenforceable, or void, the parties agree that such part or parts so held to be invalid, unenforceable, or void shall be reformed by the entity having jurisdiction thereover without further action by the parties hereto and only to the extent necessary to make such part or parts valid and enforceable. A waiver by either of the parties hereto of any of the covenants to be performed by the other party or any breach of this Agreement shall not be effective unless made in writing and signed by the waiving party and shall not be construed to be a waiver of any succeeding breach thereof or of any covenant herein contained.
- 12.9. **Headings and Captions.** Section headings in this Agreement are for convenience only and shall not affect the interpretation of any provision of this Agreement.
- 12.10. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date last written below.

**Digital Content Protection,
L.L.C. :**

Adopter :

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Addresses for notices:

**Digital Content Protection,
L.L.C. :**

Adopter :

EXHIBIT A
PROCEDURAL APPENDIX

1. Annual Fee

- 1.1. **Annual Fee.** The Annual Fee shall be US \$15,000 per year.
- 1.2. **Taxes.** All fee payments shall be made free and clear without deduction for any and all present and future taxes imposed by any taxing authority. In the event that Adopter is prohibited by law from making such payments unless such deductions are made or withheld therefrom, then Adopter shall pay such additional amounts as are necessary in order that the net amounts received by Licensor, after such deduction or withholding, equal the amounts which would have been received if such deduction or withholding had not occurred. Adopter shall promptly furnish Licensor with a copy of an official tax receipt or other appropriate evidence of any taxes imposed on payments made under this Agreement, including taxes on any additional amounts paid. In cases other than taxes referred to above, including but not limited to sales and use taxes, stamp taxes, value added taxes, property taxes and other taxes or duties imposed by any taxing authority on or with respect to this Agreement, the costs of such taxes or duties shall be borne by Adopter. In the event that such taxes or duties are legally imposed initially on Licensor or Licensor is later assessed by any taxing authority, then Licensor will be promptly reimbursed by Adopter for such taxes or duties plus any interest and penalties suffered by Licensor.

2. Procedures for Third-Party Beneficiary Claims

- 2.1. Prior to initiating any third-party beneficiary claim under this Agreement by an Eligible Content Participant (a "Beneficiary Claim") against Adopter, such Content Participant (a "Third-Party Beneficiary") shall provide Licensor with notice and consultation reasonable under the circumstances regarding a proposed Beneficiary Claim; provided that such consultation with Licensor shall not affect such Third-Party Beneficiary's discretion in initiating such a Beneficiary Claim. Such Third-Party Beneficiary shall further provide Licensor with notice of actual filing of a Beneficiary Claim and, upon Licensor's request, any copies of principal pleadings to be filed in such Third-Party Beneficiary's initiation or pursuit of such Beneficiary Claim. Licensor shall cooperate reasonably with such Third-Party Beneficiary in providing appropriate and necessary information in connection with the Beneficiary Claim to the extent that such cooperation is consistent with the preservation of the integrity and security of HDCP and to the extent such cooperation does not involve release of information provided to Licensor by a Content Participant or Fellow Adopter that such Content Participant or Fellow Adopter has designated to Licensor to be its confidential and proprietary information. Documents provided to Licensor under these third-party-beneficiary procedures shall not include any documents filed or to be filed under seal in connection with such Beneficiary Claim.
- 2.2. Licensor shall provide all Content Participants with prompt notice of Licensor's

receipt of any notice of a Beneficiary Claim against Adopter (a "Claim Notice"). Within thirty (30) days of the date of receipt of a Claim Notice, all Eligible Content Participants shall elect whether to join such Beneficiary Claim, and the failure of any Eligible Content Participant to provide notice to Licensor of such election and to move to join such Beneficiary Claim within such thirty (30) days shall be deemed a waiver of such Content Participant's third-party-beneficiary right under this Agreement with respect to all Beneficiary Claims against Adopter arising out of the alleged breach by Adopter raised in such Beneficiary Claim asserted by the Third-Party Beneficiary. The Third-Party Beneficiary initiating a Beneficiary Claim shall support, and Adopter shall not object to, any motion to so join by such Third-Party Beneficiaries electing to join such Beneficiary Claim within such thirty (30)-day period. Any judgment entered upon such Beneficiary Claim shall be binding on all Content Participants that failed to join such Beneficiary Claim after receipt of such notice as if they had joined such Beneficiary Claim. No Content Participant's failure to notify or consult with Licensor, nor a Content Participant's failure to provide to Licensor copies of any pleadings, nor Licensor's failure to give notice to any Content Participant pursuant to these third-party-beneficiary procedures, shall be a defense against any Beneficiary Claim or grounds for a request to delay the granting of any preliminary relief requested. Neither Adopter nor any Content Participant shall involve Founder as a party in any Beneficiary Claim. The foregoing sentence shall not apply to or preclude Founder's involvement or participation as a witness or in a similar capacity.

- 2.3. Third-Party Beneficiaries shall have no right to, and Adopter agrees that it will not, enter into any settlement that: (a) amends any material term of this Agreement or any Content Participant Agreement; (b) has a material effect on the integrity or security of HDCP or the operation of HDCP with respect to protecting Audiovisual Content from any unauthorized output, transmission, interception and copying, or the rights of Content Participants with respect to HDCP; or (c) affects any of Licensor's or Founder's rights in and to HDCP or any intellectual property right embodied therein, unless, in the case of this clause (c), Licensor shall have provided prior written consent thereto.
- 2.4. Nothing contained in these third-party-beneficiary procedures is intended to limit remedies or relief available pursuant to statutory or other claims that a Third-Party Beneficiary may have under separate legal authority.

EXHIBIT B CONFIDENTIALITY

1. Confidentiality.

- 1.1. **Permitted Use.** Adopter shall use Confidential Information and Highly Confidential Information (including tangible embodiments of the same) solely for purposes of implementations of HDCP in accordance with the terms of this Agreement, and shall not use any mentally-retained recollections thereof to circumvent HDCP or copy the methods disclosed in Confidential Information or Highly Confidential Information or to circumvent any obligations under this Agreement.
- 1.2. **Highly Confidential Information.** Adopter shall maintain the confidentiality of Highly Confidential Information in the following manner:
 - 1.2.1. Adopter shall employ procedures for safeguarding Highly Confidential Information at least as rigorous as Adopter would employ for its own most highly confidential information, such procedures to include, at a minimum: (a) maintaining on Adopter's premises a secure location in which any and all Highly Confidential Information shall be stored, where such storage may include electronic storage in accordance with this Section 1.2.1; (b) such secure location shall be accessible only by Authorized Employees (defined below); (c) in the case of a location that is physically secure, employees shall sign in and out each time such employees visit such secure location, and in the case of secure electronic storage, a record shall be maintained for each time such employees have access to such information; and (d) when Highly Confidential Information is not in use, such information shall be stored in a locked safe at such secure location or shall be stored electronically in accordance with this Section 1.2.1. In the event that Adopter stores the Highly Confidential Information in electronic storage, Adopter shall ensure that (i) any such electronically stored Highly Confidential Information stored on a computer hard drive is password protected; (ii) the electronically stored Highly Confidential Information is encrypted; and (iii) Adopter maintains a directory of any decrypted Highly Confidential Information and promptly deletes such decrypted data when it is not in use.
 - 1.2.2. Adopter may disseminate Highly Confidential Information only to the strictest minimum possible number of regular employees of Adopter who (a) have an absolute need to know such Highly Confidential Information in order to enable Adopter to implement HDCP in compliance with the HDCP Specification, Compliance Rules and Robustness Rules; (b) are bound in writing by obligations of confidentiality sufficient to protect the Highly Confidential Information in accordance with the terms of this Agreement and (c) have been identified in writing to Licensor prior to receiving access to such Highly Confidential Information (each such

employee, an "Authorized Employee"). Adopter shall make all reasonable efforts to assist Licensor in relation to any claim, action, suit, proceeding, or litigation with respect to any improper or unauthorized acts of any of its former employees.

1.2.3. Adopter may disclose Highly Confidential Information to a third party that is providing services to Adopter pursuant to the right under Section 2.1 to "have made" Licensed Components, provided that such third party is either a Fellow Adopter or is subject to an applicable non-disclosure agreement with Adopter on conditions no less stringent than the confidentiality provisions set out in Exhibit B-1. Adopter agrees that it shall be responsible for such third party's actions with respect to any disclosed Highly Confidential Information, and shall defend, indemnify and hold Licensor harmless from and against any and all causes of actions, damages, and liabilities that may arise from such disclosure. Adopter shall identify such third persons to Licensor upon request.

1.2.4. Adopter shall not make any copies of any Highly Confidential Information, unless expressly authorized under this Agreement.

1.3. **Contact Person.** Adopter shall designate a single employee who shall receive all Highly Confidential Information disclosed by Licensor.

2. Disclosure

2.1. **Confidential Information.** Adopter may disclose Confidential Information only to (a) regular employees and individuals retained as independent contractors subject to confidentiality obligations equivalent to those applicable to full-time employees of Adopter who have a reasonable need-to-know and are bound in writing by obligations of confidentiality sufficient to protect the Confidential Information in accordance with the terms of this Agreement, (b) Founder or Affiliates thereof, (c) Fellow Adopters or entities subject to a non-disclosure agreement substantially in the form of this Confidentiality Agreement, provided that Adopter may disclose to such parties only information that such parties are entitled to receive under their Adopter Agreement or non-disclosure agreement with Licensor, or (d) Adopter's attorneys, auditors or other agents who owe Adopter a duty of confidentiality and are bound to maintain such information in confidence as a result of a fiduciary relationship. Adopter shall use the same degree of care, but no less than a reasonable degree of care, to avoid unauthorized disclosure or use of Confidential Information as Adopter employs with respect to its comparably important confidential information.

2.2. **Disclosure of Adopter Status.** Except as otherwise expressly provided in this Section 2.2, Licensor shall have the right to disclose to third parties the fact that Adopter has obtained a license to implement HDCP. Upon Adopter's written request to Licensor, Licensor shall maintain the fact that Adopter has obtained a license to implement HDCP confidential until such time that Adopter publicly announces that it intends to manufacture a product or component that implements

HDCP or begins marketing such a product or component, whichever is earlier.

- 2.3. **Notification of Unauthorized Use or Disclosure.** Adopter shall notify Licensor in writing immediately upon discovery of any unauthorized use or disclosure of Confidential Information or Highly Confidential Information, and shall cooperate with Licensor in every reasonable way to regain possession of Confidential Information and Highly Confidential Information and prevent its further unauthorized use or disclosure.
- 2.4. **Confidentiality Exceptions.** The confidentiality obligations set forth in this Confidentiality Agreement shall not apply to information that Adopter can demonstrate (a) is Confidential Information that has become generally known to the public through no breach of Adopter's obligations owed to Licensor or Founder, (b) has been independently developed by Adopter's employees (whether alone or jointly with others) without having access (whether directly or through any intermediaries) to any Confidential Information or Highly Confidential Information (including but not limited to any translations, derivations or abstractions of such information) and without breach of Adopter's obligations to Licensor or to Founder, provided that the confidentiality obligations shall continue to apply to Device Keys, (c) has been independently developed and disclosed to Adopter by a third party without any access (whether directly or through any intermediaries) to any Confidential Information or Highly Confidential Information and without any breach of any such third party's obligations to Licensor or to Founder, (d) is disclosed in response to an order of a court or other authority of competent jurisdiction, provided that Adopter shall first have given notice to Licensor and Founder and given them a reasonable opportunity to obtain a protective order, and provided further that, upon Licensor's or Founder's request, Adopter shall reasonably cooperate in challenging the scope of any required disclosure, or (e) is otherwise required by law to be disclosed, provided that Adopter shall notify Licensor and Founder of such requirement as promptly as possible, and shall, upon Licensor's or Founder's request, reasonably cooperate in challenging the scope of any required disclosure.

3. Period

- 3.1. **Confidentiality Period.** The confidentiality obligations set forth in this Confidentiality Agreement shall continue until the later of (a) three (3) years after the last commercial use of HDCP by Licensor, Founder or any Affiliate thereof, or any Fellow Adopter and (b) the expiration of the last copyright that protects any HDCP Content that then exists in any country adhering to the Agreement on Trade Related Aspects of Intellectual Property Rights of the World Trade Organization dated August 15, 1994.

4. Other Terms

- 4.1. **Reverse Engineering.** Under no circumstances shall Adopter reverse engineer, cryptographically analyze, decompile, disassemble, or otherwise seek to determine the operation of any element of Highly Confidential or Confidential

Information or allow any other Person to do any of the foregoing. Without limiting the foregoing, Adopter may, to the minimum extent necessary to test, debug, integrate or tune its own Licensed Components to ensure that they work in their intended operational environment with other Licensed Products or Licensed Components, conduct compliance or electrical analyses with respect to the operation of such other Licensed Products or Licensed Components that form part of such intended operational environment.

**EXHIBIT B-1
HAVE MADE PARTIES CONFIDENTIALITY AGREEMENT**

This Have Made Parties Confidentiality Agreement (“Confidentiality Agreement”) is effective as of _____ (the “Effective Date”) by and between _____ (“Adopter”) and _____ (“Have Made Party”).

WITNESSETH

WHEREAS, Adopter has entered into that certain HDCP Component License Agreement dated as of _____ (the “HDCP Component License Agreement”) by and between Adopter and Licensor; and

WHEREAS, Adopter and Have Made Party intend to enter into an agreement in accordance with section 2.5 of the HDCP Component License Agreement pursuant to which Have Made Party shall make Licensed Components or subparts thereof for the sole account of Adopter; and

WHEREAS, as a condition to receiving Confidential Information and Highly Confidential Information from Adopter, Have Made Party understands and acknowledges that it shall be responsible for preserving the confidentiality of such Confidential Information and Highly Confidential Information to the same extent as Adopter, and agrees to be bound by the same confidentiality terms as bind Adopter under to the HDCP Component License Agreement, and agrees to be responsible to Licensor and Content Participants in event of breach of such terms; and

NOW THEREFORE, in consideration of the covenants and agreements herein, Licensor and Adopter hereby agree as follows:

A G R E E M E N T

1. **DEFINED TERMS.** All capitalized terms used herein and not defined shall have the meanings given them in the HDCP Component License Agreement.

2. **CONFIDENTIALITY OBLIGATIONS.** Have Made Party hereby agrees to be bound by the confidentiality obligations set forth on the attached Attachment A to the same extent as Adopter, and as if all references to Adopter were references to Have Made Party; provided however that section 1.2.3 of Attachment A shall not apply.

3. **THIRD PARTY BENEFICIARY.** Have Made Party acknowledges and expressly agrees that each of Licensor and any Content Participant is an express third party beneficiary of all of Have Made Party's obligations hereunder, and further acknowledges and agrees that this Confidentiality Agreement runs to the benefit of each of Licensor and any Content Participant.

IN WITNESS WHEREOF, the parties hereto have executed this Confidentiality Agreement as of the date last written below:

ADOPTER:

HAVE MADE PARTY:

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

ATTACHMENT A TO HAVE MADE PARTIES CONFIDENTIALITY AGREEMENT

1. Confidentiality.

1.1 **Permitted Use.** Adopter shall use Confidential Information and Highly Confidential Information (including tangible embodiments of the same) solely for purposes of implementations of HDCP in accordance with the terms of this Agreement, and shall not use any mentally-retained recollections thereof to circumvent HDCP or copy the methods disclosed in Confidential Information or Highly Confidential Information or to circumvent any obligations under this Agreement.

1.2 **Highly Confidential Information.** Adopter shall maintain the confidentiality of Highly Confidential Information in the following manner:

1.2.1 Adopter shall employ procedures for safeguarding Highly Confidential Information at least as rigorous as Adopter would employ for its own most highly confidential information, such procedures to include, at a minimum: (a) maintaining on Adopter's premises a secure location in which any and all Highly Confidential Information shall be stored, where such storage may include electronic storage in accordance with this Section 1.2.1; (b) such secure location shall be accessible only by Authorized Employees (defined below); (c) in the case of a location that is physically secure, employees shall sign in and out each time such employees visit such secure location, and in the case of secure electronic storage, a record shall be maintained for each time such employees have access to such information; and (d) when Highly Confidential Information is not in use, such information shall be stored in a locked safe at such secure location or shall be stored electronically in accordance with this Section 1.2.1. In the event that Adopter stores the Highly Confidential Information in electronic storage, Adopter shall ensure that (i) any such electronically stored Highly Confidential Information stored on a computer hard drive is password protected; (ii) the electronically stored Highly Confidential Information is encrypted; and (iii) Adopter maintains a directory of any decrypted Highly Confidential Information and promptly deletes such decrypted data when it is not in use.

1.2.2 Adopter may disseminate Highly Confidential Information only to the strictest minimum possible number of regular employees of Adopter who (a) have an absolute need to know such Highly Confidential Information in order to enable Adopter to implement HDCP in compliance with the HDCP Specification, Compliance Rules and Robustness Rules; (b) are bound in writing by obligations of confidentiality sufficient to protect the Highly Confidential Information in accordance with the terms of this Agreement and (c) have been identified in writing to Licensor prior to receiving access to such Highly Confidential Information (each such

employee, an “Authorized Employee”). Adopter shall make all reasonable efforts to assist Licensor in relation to any claim, action, suit, proceeding, or litigation with respect to any improper or unauthorized acts of any of its former employees.

1.2.3 Adopter may disclose Highly Confidential Information to a third party that is providing services to Adopter pursuant to the right under Section 2.1 to “have made” Licensed Components, provided that such third party is either a Fellow Adopter or is subject to an applicable non-disclosure agreement with Adopter on conditions no less stringent than the confidentiality provisions set out in Exhibit B-1. Adopter agrees that it shall be responsible for such third party’s actions with respect to any disclosed Highly Confidential Information, and shall defend, indemnify and hold Licensor harmless from and against any and all causes of actions, damages, and liabilities that may arise from such disclosure. Adopter shall identify such third persons to Licensor upon request.

1.2.4 Adopter shall not make any copies of any Highly Confidential Information, unless expressly authorized under this Agreement.

1.3 **Contact Person.** Adopter shall designate a single employee who shall receive all Highly Confidential Information disclosed by Licensor.

2. **Disclosure**

2.1 **Confidential Information.** Adopter may disclose Confidential Information only to (a) regular employees and individuals retained as independent contractors subject to confidentiality obligations equivalent to those applicable to full-time employees of Adopter who have a reasonable need-to-know and are bound in writing by obligations of confidentiality sufficient to protect the Confidential Information in accordance with the terms of this Agreement, (b) Founder or Affiliates thereof, (c) Fellow Adopters or entities subject to a non-disclosure agreement substantially in the form of this Confidentiality Agreement, provided that Adopter may disclose to such parties only information that such parties are entitled to receive under their Adopter Agreement or non-disclosure agreement with Licensor, or (d) Adopter’s attorneys, auditors or other agents who owe Adopter a duty of confidentiality and are bound to maintain such information in confidence as a result of a fiduciary relationship. Adopter shall use the same degree of care, but no less than a reasonable degree of care, to avoid unauthorized disclosure or use of Confidential Information as Adopter employs with respect to its comparably important confidential information.

2.2 **Disclosure of Adopter Status.** Except as otherwise expressly provided in this Section 2.2, Licensor shall have the right to disclose to third parties the fact that Adopter has obtained a license to implement HDCP. Upon Adopter’s written request to Licensor, Licensor shall maintain the fact that Adopter has obtained a license to implement HDCP confidential until such time that Adopter publicly announces that it intends to manufacture a product or component that implements HDCP or begins marketing such a product or component, whichever is earlier.

- 2.3 **Notification of Unauthorized Use or Disclosure.** Adopter shall notify Licensor in writing immediately upon discovery of any unauthorized use or disclosure of Confidential Information or Highly Confidential Information, and shall cooperate with Licensor in every reasonable way to regain possession of Confidential Information and Highly Confidential Information and prevent its further unauthorized use or disclosure.
- 2.4 **Confidentiality Exceptions.** The confidentiality obligations set forth in this Confidentiality Agreement shall not apply to information that Adopter can demonstrate (a) is Confidential Information that has become generally known to the public through no breach of Adopter's obligations owed to Licensor or Founder, (b) has been independently developed by Adopter's employees (whether alone or jointly with others) without having access (whether directly or through any intermediaries) to any Confidential Information or Highly Confidential Information (including but not limited to any translations, derivations or abstractions of such information) and without breach of Adopter's obligations to Licensor or to Founder, provided that the confidentiality obligations shall continue to apply to Device Keys, (c) has been independently developed and disclosed to Adopter by a third party without any access (whether directly or through any intermediaries) to any Confidential Information or Highly Confidential Information and without any breach of any such third party's obligations to Licensor or to Founder, (d) is disclosed in response to an order of a court or other authority of competent jurisdiction, provided that Adopter shall first have given notice to Licensor and Founder and given them a reasonable opportunity to obtain a protective order, and provided further that, upon Licensor's or Founder's request, Adopter shall reasonably cooperate in challenging the scope of any required disclosure, or (e) is otherwise required by law to be disclosed, provided that Adopter shall notify Licensor and Founder of such requirement as promptly as possible, and shall, upon Licensor's or Founder's request, reasonably cooperate in challenging the scope of any required disclosure.

3. **Period**

- 3.1 **Confidentiality Period.** The confidentiality obligations set forth in this Confidentiality Agreement shall continue until the later of (a) three (3) years after the last commercial use of HDCP by Licensor, Founder or any Affiliate thereof, or any Fellow Adopter and (b) the expiration of the last copyright that protects any HDCP Content that then exists in any country adhering to the Agreement on Trade Related Aspects of Intellectual Property Rights of the World Trade Organization dated August 15, 1994.

4. **Other Terms**

- 4.1 **Reverse Engineering.** Under no circumstances shall Adopter reverse engineer, cryptographically analyze, decompile, disassemble, or otherwise seek to determine the operation of any element of Highly Confidential or Confidential Information or allow any other Person to do any of the foregoing. Without limiting the foregoing, Adopter may, to the minimum extent necessary to test, debug, integrate or tune its own Licensed Components to ensure that they work in

their intended operational environment with other Licensed Products or Licensed Components, conduct compliance or electrical analyses with respect to the operation of such other Licensed Products or Licensed Components that form part of such intended operational environment.

EXHIBIT C COMPLIANCE RULES

Adopter agrees to comply with all terms and conditions of these Compliance Rules, which may be amended from time to time by Licensor in accordance with Section 5 of this Agreement.

1. **Definitions:** Capitalized terms used in these Compliance Rules and not otherwise defined herein shall have the meaning given to such terms elsewhere in the Agreement.
 - 1.1 For purposes of this Agreement, a Licensed Product may function only as a Presentation Device, a Source Device, and/or a Repeater. Such terms shall have the following meanings:
 - 1.1.1 **“Presentation Device”** means a Licensed Product that has a **“Presentation Function,”** which is the capability to receive, decrypt, and visually display and/or sonically render HDCP Content in accordance with the HDCP Specification.
 - 1.1.2 **“Source Device”** means a Licensed Product that has a **“Source Function,”** which is the capability to encrypt and transmit HDCP Content in accordance with the HDCP Specification.
 - 1.1.3 **“Repeater”** means a Licensed Product that has a **“Repeater Function”** which is the capability to receive, decrypt, re-encrypt and re-transmit HDCP Content to one or more outputs, in accordance with the HDCP Specification.
 - 1.2 **“Decrypted HDCP Content”** means HDCP Content that has been decrypted in accordance with the HDCP Specification.
 - 1.3 **“MAR Source Function”** means a Source Function that is Managed and Renewable. **“Managed and Renewable”** means, with respect to the use of a Shared Device Key Set in a Source Device, that, in accordance with and pursuant to the Shared Device Key Rules, (a) the Shared Device Key Set can be replaced through a software update made available by Adopter or its designee through download or distribution of updated software and (b) such updates are implemented periodically (even if the relevant KSV has not been Revoked) and as otherwise required by Licensor.
 - 1.4 **“Shared Device Key Rules”** shall have the meaning given in Section 4.4 of these Compliance Rules.
 - 1.5 **“Shared Device Key Set”** means a Device Key Set that may be used in a number of MAR Source Functions of the same model of product or version of software, in each case in accordance with and pursuant to the Shared Device Key Rules.

- 1.6 “SRM” means a System Renewability Message as described in the HDCP Specification.
2. **Interoperability.** Licensed Products shall be constructed to support full interoperability by fully implementing either: (i) all mandatory aspects of the Digital Visual Interface Revision 1.0, April 2, 1999 (or such later version as may be in effect at the time of Adopter’s design of the Licensed Products) (“DVI”), with the exception of those aspects expressly identified as optional or informative; or (ii) all mandatory aspects of the High Definition Multimedia Interface Revision 1.0, dated 02 April, 1999 (“HDMI”), with the exception of those HDMI aspects expressly identified as optional or informative; or (iii) both (i) and (ii) above. Licensed Products and Licensed Source Components shall not apply HDCP encryption to Audiovisual Content transmitted to outputs other than DVI or HDMI outputs. HDCP shall not be implemented in any Licensed Product or Licensed Source Component in a manner so as to cause such Licensed Product or any Licensed Product incorporating such Licensed Source Component to be non-interoperable with other Licensed Products; provided, however, that (a) a Licensed Product with an HDMI output need not be compatible with a Licensed Product with a DVI input for any functionality other than video services, solely to the extent that such HDMI output functionality is not compatible with such DVI input functionality, and (b) a Licensed Product or Licensed Source Component with a DVI output need not be compatible with a Licensed Product or Licensed Source Component with an HDMI input for any functionality other than video services, solely to the extent that such DVI output functionality is not compatible with such HDMI input functionality. For avoidance of doubt, the interoperability requirement in the foregoing sentence shall apply whether the Licensed Products or Licensed Source Components in question implement DVI, HDMI, or any combination thereof.
3. **Compliance Rules for Presentation Devices.** The rules set out in this Section 3 apply to Presentation Devices.
- 3.1 **No Copies.** A Presentation Device shall not make any copies of Decrypted HDCP Content for any purpose, except for such temporary buffers as are permitted under Section 3.2.
- 3.2 **Temporary Buffering.** Decrypted HDCP Content may be temporarily buffered in a Presentation Device to enable and perform the Presentation Function, image processing function (e.g., picture-in-picture display, image overlay, image enhancement and brightness adjustment) or “freeze frame” of a single frame of audiovisual content, provided that such buffer shall not persist for more time than is necessary to perform such function. In addition, if a Presentation Device is also a Repeater, it may temporarily buffer Decrypted HDCP Content pursuant to and in accordance with Section 5.2 of these Compliance Rules.
- 3.3 **Digital Outputs.** A Presentation Device shall not permit the output of Decrypted HDCP Content to digital outputs, except, if a Presentation Device is also a Repeater, as expressly provided in Section 5.3 of these Compliance Rules. Notwithstanding the foregoing, Presentation Devices may output the audio portions of Decrypted HDCP Content in (a) analog form or (b) digital form in either compressed audio format or in Linear PCM format in which the transmitted

information is sampled at no more than the equivalent of 48 kHz and no more than 16 bits per channel.

- 3.4 **No Analog Outputs.** Except as otherwise expressly provided in Section 3.3 of these Compliance Rules, a Presentation Device shall not permit the output of Decrypted HDCP Content in any analog representation.
 - 3.5 **Unique Device Key Sets.** Each Presentation Function shall use a unique Key Selection Vector and unique Device Key Set.
4. **Compliance Rules for Source Devices.** The rules set out in this Section 4 apply to Source Devices and Licensed Source Components.
- 4.1 **No Content Limitations.** There are no limitations imposed under this Agreement relating to the type of Audiovisual Content that may be encrypted as HDCP Content.
 - 4.2 **Additional Requirements.** Adopter is advised that the license agreements relating to other content protection technologies or conditional access systems that act as an immediate upstream content control function to a Source Function and require HDCP for DVI outputs may require the delivery of SRMs to Source Functions and the protected communication of information from Source Functions in order to ensure the effective protection of Audiovisual Content. In any event, the HDCP Source Function is required by these Compliance Rules of Adopter's HDCP Adopter Agreement to make available to the immediate upstream content control function information that indicates whether the Source Function is fully engaged and able to deliver protected Audiovisual Content, which means (a) HDCP encryption is operational on all applicable DVI or HDMI outputs, (b) there are no Presentation Devices or Repeaters on a DVI output whose KSV is in the current revocation list, and (c) processing of valid received SRMs, if any, has occurred, as defined in the Specification.
 - 4.3 **Unique Device Key Sets.** Each Source Device, and each Licensed Source Component that incorporates a Device Key Set, shall use a unique Key Selection Vector and unique Device Key Set, except in the event that Adopter requests to use Shared Device Key Sets and meets the conditions for use of Shared Device Key Sets set forth in the Shared Device Key Rules.
 - 4.4 **Shared Device Key Sets.** Licensor may make available terms, conditions and procedures pursuant to which Adopter may use a Device Key Set in more than one Source Function (as such terms, conditions and procedures may be amended by Licensor from time to time, the "Shared Device Key Rules"). The Shared Device Key Rules shall be deemed a part of these Compliance Rules and incorporated in these Compliance Rules by this reference.
5. **Compliance Rules for Repeaters.** The rules set out in this Section 5 apply to Repeaters.
- 5.1 **No Copies.** A Repeater shall not make any copies of Decrypted HDCP Content for any purpose, except for such temporary buffers as are permitted under in Section 5.2.

- 5.2 **Temporary Buffering.** Decrypted HDCP Content may be temporarily buffered to enable and perform the Repeater Function or image processing function (e.g., picture-in-picture display, image overlay, image enhancement and brightness adjustment), provided that such buffer shall not persist for more time than is necessary to perform such function. In addition, if a Repeater is also a Presentation Device, it may temporarily buffer Decrypted HDCP Content pursuant to and in accordance with Section 3.2 of these Compliance Rules.
 - 5.3 **Digital Outputs.** A Repeater shall not permit the output of Decrypted HDCP Content to digital outputs, except through DVI or HDMI outputs when the Decrypted HDCP Content is re-encrypted and transmitted using HDCP in accordance with this Agreement and the HDCP Specification.
 - 5.4 **No Analog Outputs.** A Repeater shall not permit the output of Decrypted HDCP Content in any analog representation.
 - 5.5 **Unique Keys.** Each Repeater Function shall use a unique Key Selection Vector and unique Device Key Set for the HDCP Content input as well as a separate, unique Key Selection Vector and unique Device Key Set for each DVI or HDMI output of HDCP Content.
6. **Output Restrictions Apply Only to HDCP Content.** For avoidance of doubt, there are no limitations imposed under this Agreement relating to the output from Licensed Products of content other than HDCP Content.

EXHIBIT D
ROBUSTNESS RULES

1. **Construction.** Licensed Products as shipped shall comply with the Compliance Rules and shall be designed and manufactured in a manner that is clearly designed to effectively frustrate attempts to modify such Licensed Products to defeat the content protection requirements of the HDCP Specification and the Compliance Rules.
 - 1.1 **Functions Defeating the HDCP Specification.** Licensed Products shall not include:
 - (a) switches, buttons, jumpers, or software equivalents thereof;
 - (b) specific traces that can be cut ; or
 - (c) functions (including service menus and remote-control functions);

in each case, by which the content protection requirements of the HDCP Specification or the Compliance Rules can be defeated or by which Decrypted HDCP Content can be exposed to unauthorized interception, re-distribution or copying.
 - 1.2 **Keep Secrets.** Licensed Products shall be designed and manufactured in a manner that is clearly intended to effectively frustrate attempts to discover or reveal Device Keys or other Highly Confidential Information.
 - 1.3 **Robustness Checklist.** Before releasing any Licensed Product, Adopter shall perform tests and analyses to assure compliance with these Robustness Rules. A Robustness Checklist is attached hereto as Exhibit D-1 for the purpose of assisting Adopter in performing tests covering certain important aspects of these Robustness Rules. Inasmuch as the Robustness Checklist does not address all elements required for the manufacture of a Compliant product, Adopter is strongly advised to review carefully the HDCP Specification, the Compliance Rules and these Robustness Rules so as to evaluate thoroughly both its testing procedures and the compliance of its Licensed Products. Adopter shall provide copies of the HDCP Specification, the Compliance Rules, these Robustness Rules and the Robustness Checklist to its supervisors responsible for design and manufacture of Licensed Products.
2. **Data Paths.** Decrypted HDCP Content shall not be available on outputs other than those specified in the Compliance Rules. Within a Presentation Device or Repeater, Decrypted HDCP Content shall not be present on any user-accessible buses.
 - 2.1 A "user accessible bus" means (a) an internal analog connector that: (i) is designed and incorporated for the purpose of permitting end user upgrades or access or (ii) otherwise readily facilitates end user access or (b) a data bus that is designed for

end user upgrades or access such as an implementation of smartcard, PCMCIA, Cardbus or PCI that has standard sockets or otherwise readily facilitates end user access, but not memory buses, CPU buses, and similar portions of a device's internal architecture that do not permit access to content in a form useable by end users.

Clause 2.1(a) should be interpreted and applied so as to allow Adopter to design and manufacture its products to incorporate means, such as test points, used by Adopter or professionals to analyze or repair products; but not to provide a pretext for inducing consumers to obtain ready and unobstructed access to internal analog connectors. Without limiting the foregoing, with respect to clause 2.1(a), an internal analog connector shall be presumed to not "readily facilitate end user access" if (i) such connector and the video signal formats or levels of signals provided to such connector, are of a type not generally compatible with the accessible connections on consumer products, (ii) such access would create a risk of product damage, or (iii) such access would result in physical evidence that such access had occurred and would void any product warranty.

3. **Methods of Making Functions Robust.** Licensed Products shall use at least the following techniques, in a manner that is clearly designed to effectively frustrate attempts to defeat the content protection requirements of the HDCP Specification and the Compliance Rules:

3.1 **Distributed Functions.** Where Decrypted HDCP Content is delivered from one portion of a Licensed Product to another, whether among integrated circuits, software modules, or a combination thereof, such portions shall be designed and manufactured in a manner and associated and otherwise integrated with each other such that Decrypted HDCP Content, in a usable form flowing between them, shall be reasonably secure from being intercepted or copied.

3.2 **Software Implementation.** Any portion of a Licensed Product that implements any of the content protection requirements of the HDCP Specification and the Compliance Rules in Software shall include all of the characteristics set forth in Sections 1 and 2 of these Robustness Rules. For purposes of these Robustness Rules, "Software" shall mean the implementation of the content protection requirements of the HDCP Specification and the Compliance Rules through any computer program code consisting of instructions or data, other than such instructions or data that are included in Hardware. Such implementations shall:

3.2.1 comply with Section 1.2 of these Robustness Rules by a reasonable method, including but not limited to: encryption, execution of a portion of the implementation in ring zero or supervisor mode, and/or embodiment in a secure physical implementation; and, in addition, in every case of implementation in Software, using techniques of obfuscation clearly designed to effectively disguise, and hamper attempts to discover, the approaches used;

3.2.2 be designed so as to perform self-checking of the integrity of its component parts such that unauthorized modifications will be expected to result in a failure of the implementation to provide the authorized

authentication and/or decryption function. For the purpose of this provision, a “modification” includes any change in, or disturbance or invasion of features or characteristics, or interruption of processing, relevant to Sections 1 or 2 of these Robustness Rules. This provision requires, at a minimum, the use of “signed code” or more robust means of “tagging” operations throughout the code.

3.3 **Hardware Implementation.** Any portion of a Licensed Product that implements any of the content protection requirements of the HDCP Specification and the Compliance Rules in Hardware shall include all of the characteristics set forth in Sections 1 and 2 of these Robustness Rules. Such implementations shall:

3.3.1 comply with Section 1.2 of these Robustness Rules by a reasonable method, including but not limited to: embedding Device Keys in silicon circuitry or firmware that cannot reasonably be read, or the techniques described above for Software; and

3.3.2 be designed such that attempts to remove, insert, replace or reprogram Hardware elements of a Presentation Device or Repeater in a way that would compromise the content protection requirements of the HDCP Specification and the Compliance Rules would pose a serious risk of rendering the Licensed Product unable to receive, decrypt or decode HDCP Content. By way of example, a component that is soldered rather than socketed may be appropriate for this means.

For purposes of these Robustness Rules, “Hardware” means a physical device, including a component, that implements any of the content protection requirements of the HDCP Specification and the Compliance Rules and that (a) does not include instructions or data other than such instructions or data that are permanently embedded in such device or component or (b) includes instructions or data that are not permanently embedded in such device or component where such instructions or data have been customized for such Licensed Product or a Licensed Component and such instructions or data are inaccessible to the end user through such Licensed Product or Licensed Component.

3.4 **Hybrid Implementation.** The interfaces between Hardware and Software portions of HDCP implementations in Licensed Products shall be designed so that the Hardware portions comply with the level of protection that would be provided by a pure Hardware implementation, and the Software portions comply with the level of protection which would be provided by a pure Software implementation.

3.5 **Level of Protection.** The content protection requirements of the HDCP Specification and the Compliance Rules shall be implemented in a reasonable method so that such implementations:

3.5.1 cannot be defeated or circumvented merely by using general-purpose tools or equipment that are widely available to average users at a reasonable price, such as screwdrivers, jumpers, clips and soldering irons (“Widely Available Tools”), or using specialized electronic tools or specialized software tools that are widely available at a reasonable price, such as

eprom readers and writers, debuggers or decompilers (“Specialized Tools”) other than devices or technologies, whether Hardware or Software, that are designed and made available for the specific purpose of bypassing or circumventing the protection technologies required by HDCP (“Circumvention Devices”); and

3.5.2 can only with difficulty be defeated or circumvented using professional tools or equipment, such as logic analyzers, chip disassembly systems, or in-circuit emulators or any other tools, equipment, methods, or techniques not described in Section 3.5.1 of these Robustness Rules such as would be used primarily by persons of professional skill and training, but not including either professional tools or equipment that are made available on the basis of a non-disclosure agreement or Circumvention Devices.

3.6 **Advance of Technology.** Although an implementation of a Licensed Product when designed and first shipped may meet the above standards, subsequent circumstances may arise which, had they existed at the time of design of a particular Licensed Product, would have caused such products to fail to comply with these Robustness Rules, (“New Circumstances”). If an Adopter has (a) actual notice of New Circumstances, or (b) actual knowledge of New Circumstances (the occurrence of (a) or (b) hereinafter referred to as “Notice”), then within eighteen (18) months after Notice such Adopter shall cease distribution of such Licensed Product and shall only distribute Licensed Products that are compliant with the Robustness Rules in view of the then-current circumstances.

3.7 **Inspection and Report.** Upon a reasonable and good faith belief that a particular hardware model or software version of a Licensed Product designed or manufactured by Adopter does not comply with the Robustness Rules then in effect for such Licensed Product, and upon reasonable notice to Adopter via Licensor, one or more Eligible Content Participant(s) may request that Adopter submit promptly to an independent expert (acceptable to Adopter, which acceptance shall not be unreasonably withheld) detailed information necessary to an understanding of such product’s implementation of the HDCP Specification, Compliance Rules, and Robustness Rules such as would be sufficient to determine whether such product so complies with these Robustness Rules. Adopter’s participation in such inspection and provision of such information is voluntary; no adverse inference may be drawn from Adopter’s refusal to participate in such inspection or provide such information. The conduct of such inspection and the contents of any report made by the independent expert shall be subject to the provisions of a nondisclosure agreement, mutually agreeable to such Eligible Content Participant(s), Adopter and such expert, such agreement not to be unreasonably withheld, that also provides protections for Confidential Information and Highly Confidential Information that are no less stringent than those provided for in this Agreement. Such examination and report shall be conducted at the sole expense of the Eligible Content Participant(s) that requested such inspection. Nothing in this Section 3.7 shall limit the role or testimony of such expert, if any, in a judicial proceeding under such protective orders as a court

may impose. Adopter shall not be precluded or estopped from challenging the opinion of such expert in any forum; nor shall any party be entitled to argue that any greater weight or evidentiary presumption should be accorded to the expert report than to any other relevant evidence. Once this provision has been invoked by any Eligible Content Participant(s) with respect to any hardware model or software version, it may not be invoked again by the same or other Eligible Content Participants with respect to the same hardware model or software version of a Licensed Product, provided that the right to request inspection shall include the right to request re-inspection of the implementation of such model or version if it has been revised in an effort to cure any alleged failure of compliance.

4. **Licensed Source Components.** All terms and conditions of these Robustness Rules applicable to Licensed Products shall also apply with respect to Licensed Source Components. In addition, each Licensed Source Component shall be designed to ensure that when the HDCP functions that implement any of the content protection requirements of the HDCP Specification and the Compliance Rules are distributed in a Licensed Product among such Licensed Source Component and one or more other Licensed Source Components, including, without limitation, among integrated circuits, software modules, or a combination thereof, such functions shall be designed and associated and otherwise integrated with each other such that the confidentiality of Device Keys and other Highly Confidential Information, and the integrity of values identified as “requiring integrity” in Appendix B of the HDCP Specification, are maintained in accordance with the standard of protection set out in Section 3.5 of these Robustness Rules (including but not limited to through implementation of the Upstream Protocol or comparable technology).

**EXHIBIT D-1
ROBUSTNESS CHECKLIST**

Notice: This Checklist is intended as an aid to the correct implementation of the Robustness Rules for hardware and software implementations of the HDCP Specification in a Licensed Product. Licensor strongly recommends that you complete this Checklist for each hardware model or software version of a Licensed Product before releasing any product and at a sufficiently early date in design, as well as during production, to avoid product compliance redesign delays. This Checklist does not address all requirements necessary to create a product that is Compliant. Failure to perform the tests and analysis necessary to comply fully with the HDCP Specification, Compliance Rules or Robustness Rules could result in a breach of the HDCP License Agreement and appropriate legal action of Licensor and Eligible Content Participants.

If any particular design or production work is being outsourced or handled by contractors to the company, compliance with the Robustness Rules remains the responsibility of this company.

DATE: _____

MANUFACTURER: _____

PRODUCT NAME: _____

HARDWARE MODEL OR SOFTWARE VERSION: _____

NAME OF TEST ENGINEER COMPLETING CHECKLIST:

TEST ENGINEER: _____

COMPANY NAME: _____

GENERAL IMPLEMENTATION QUESTIONS

1. Has the Licensed Product been designed and manufactured so there are no switches, buttons, jumpers, or software equivalents of the foregoing, or specific traces that can be cut, by which the content protection requirements of the HDCP Specification or Compliance Rules can be defeated or by which Decrypted HDCP Content can be exposed to unauthorized copying?

2. Has the Licensed Product been designed and manufactured so there are no service menus or other functions (such as remote-control functions, switches, check boxes, or other means) that can intercept the flow of Decrypted HDCP Content or expose it to unauthorized copying?

3. Does the Licensed Product have service menus, service functions, or service utilities that can redirect or expose the flow of Decrypted HDCP Content within the device?

If Yes, please describe these service menus, service functions, or service utilities and the steps that are being taken to ensure that these service tools will not be used to expose or misdirect Decrypted HDCP Content.

4. Does the Licensed Product have service menus or remote control functions that can defeat the content protection requirements of the HDCP Specification or Compliance

7. Are any HDCP functions implemented in Hardware?

If Yes, complete hardware implementation questions.

8. Are any HDCP functions implemented in Software?

If Yes, complete software implementation questions.

SOFTWARE IMPLEMENTATION QUESTIONS

9. In the Licensed Product, describe the method by which all Device Keys are stored in a protected manner, or that Device Keys are not accessible to software.

15. In the Licensed Product, describe the method by which all Device Keys are stored in a protected manner and how their confidentiality is maintained.

16. Using the grep utility or equivalent, are you unable to discover any Device Keys in binary images of any persistent memory devices?

Notice: This checklist does not supersede or supplant the HDCP Specification, Compliance Rules, or Robustness Rules. Adopter and its Test Engineers are advised that this checklist does not address all requirements of the Robustness rules, or the requirements of the HDCP Specification and Compliance Rules.

EXHIBIT E
ADOPTER INFORMATION

Name of Adopter	
Description of Adopter's Business	
Name of Contact Person	
Contact person's Address Phone No. Fax No. E-mail address	
Location of Principal Offices	
State or Country of Incorporation	

**EXHIBIT F
COMPONENT DOWNLOAD RULES**

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HDCP RESELLER ASSOCIATE AGREEMENT

This HDCP Reseller Associate Agreement (the "Agreement") is effective as of latest date set out on the signature page hereof (the "Effective Date") by and between Digital Content Protection, L.L.C., a Delaware limited liability company ("Licensor") and the entity named on Exhibit B.

W I T N E S S E T H

WHEREAS, Intel Corporation ("Intel") has developed a certain proprietary technology for high-bandwidth digital content protection for the purposes of enabling a protected, interoperable video connection between certain digital devices and digital display monitors to allow display of such content while inhibiting copying;

WHEREAS, Intel has authorized Licensor to grant certain rights relating to such technology, and to license certain patent claims, on behalf of, and as an authorized agent (solely with respect to licensing such claims) for, Intel, to HDCP (defined below) licensees;

WHEREAS, to preserve the integrity of HDCP, Licensed Components (defined below) and Licensed Source Components (defined below) may only be distributed to persons or entities who are authorized to purchase Licensed Components and Licensed Source Components;

WHEREAS, Reseller (defined below) wishes to receive from Licensor, and Licensor wishes to grant, such authorization to purchase and resell Licensed Components and Licensed Source Components;

NOW THEREFORE, in consideration of the covenants and agreements herein, Licensor and Reseller hereby agree as follows:

1. DEFINITIONS

- 1.1 "Adopter" shall mean any entity that has executed an Adopter Agreement with Licensor and delivered it to Licensor or its designee, and shall include any Affiliate of such entity.
- 1.2 "Adopter Agreement" shall mean any license agreement entered into by a Person with Licensor pursuant to which such Person is authorized to implement HDCP in Licensed Products or Licensed Components.
- 1.3 "Affiliate" means, unless specifically agreed otherwise in writing by Licensor and such Person, with respect to such Person, any other Person directly or

indirectly controlling or controlled by or under direct or indirect common control with such Person. "Control" means the possession of beneficial ownership of more than 50% of the stock or other similar interest entitled to vote for election of the Board of Directors or similar managing authority.

- 1.4 "Audiovisual Content" means audiovisual works (as defined in the United States Copyright Act as in effect on January 1, 1978), text and graphic images.
- 1.5 "Compliant" means, with respect to a product, that such product is in compliance with all applicable Compliance Rules and Robustness Rules.
- 1.6 "Compliance Rules" shall mean the requirements set out in the exhibit entitled "Compliance Rules" to each Adopter Agreement, as such exhibits may be revised by Licensor from time to time.
- 1.7 "Content Participant" means a Person that (a) distributes, or causes or permits the distribution or transmission of, Audiovisual Content owned or licensed by such Person in commercial quantities, or via mass distribution channels, such as broadcast, satellite or cable transmission, to the general public in a form that would, in the course of transmission up to and including the display of such Audiovisual Content, use a channel protected by HDCP and (b) has executed a Content Participant Agreement with Licensor. Licensor will identify Content Participants periodically. For the avoidance of doubt, and without limiting any term of this Agreement, "Content Participant (and Eligible Content Participant under Section 1.13) include a Person who has executed a Content Participant Agreement with Licensor before or after the date of this Agreement.
- 1.8 "Content Participant Agreement" means an "HDCP Content Participant Agreement" entered into by and between Licensor and an owner or licensor of Audiovisual Content which relates to the protection of such content by HDCP.
- 1.9 "Content Participant Non-Assertion Claims" means, with respect to Licensor, Founder, Key Generator, any Adopter, Content Participant or System Operator or any Affiliate of any of the foregoing, any claims of infringement or misappropriation that a Content Participant promises not to assert or maintain against such Person pursuant to such Content Participant's Content Participant Agreement.
- 1.10 "Device Key" means a cryptographic value provided to an Adopter by Licensor or its designee for use in a Licensed Product or Licensed Component.
- 1.11 "Device Key Set" means a set of Device Keys provided to an Adopter by Licensor or its designee for use in a Licensed Product or Licensed Component. Device Key Sets are required in order for Licensed Products to operate.
- 1.12 "Effective Date" shall have the meaning given in the preamble to this Agreement.
- 1.13 "Eligible Content Participant" means a Content Participant that (a) has not asserted or maintained, and whose Affiliates (as defined in said Content Participant's Content Participant Agreement) have not asserted or maintained, at any time after September 1, 1999 (including prior to the effective date of its Content Participant Agreement), any Content Participant Non-Assertion Claim

against Licensor, Founder, Key Generator, any Adopter, Content Participant, System Operator or any Affiliate of the foregoing and (b) is deemed an “Eligible Content Participant” under its Content Participant Agreement.

- 1.14 “Founder” means Intel Corporation.
- 1.15 “HDCP” means that certain method for encryption, decryption, key exchange, authentication and renewability that is described with specificity in the HDCP Specification. For avoidance of doubt, HDCP may include the optional method for encryption, decryption, key exchange, authentication and renewability set forth in the HDCP Auxiliary Data Extensions.
- 1.16 “HDCP Associate” means Reseller and any other Person that has executed an agreement (other than an Adopter Agreement) with Licensor relating to the resale, distribution or testing of Licensed Components and is designated an HDCP Associate by Licensor.
- 1.17 “HDCP Associate Agreement” means this Agreement and any other agreement entered into between an HDCP Associate and Licensor and which is designated as an HDCP Associate Agreement by Licensor.
- 1.18 “HDCP Auxiliary Data Extensions” means that certain optional alternative method for encryption and decryption that is described with specificity in Appendix C, “Extensions to Support Auxiliary Data”, of the HDCP Specification
- 1.19 “HDCP Content” means Audiovisual Content that has been encrypted using HDCP, including HDCP-encrypted content that has subsequently been decrypted. For avoidance of doubt, “HDCP Content” does not include content that has never been encrypted with HDCP.
- 1.20 “HDCP Specification” means the specification entitled “HDCP Content Protection Specification, Release 1.1” (including the “Errata” thereto), as such specification may be amended from time to time.
- 1.21 “Key Generator” means the generator of Device Keys, KSVs, and System Renewability Messages designated by Licensor.
- 1.22 “KSV” or “Key Selection Vector” means the numerical values associated with a Device Key Set and distributed by Licensor or its designee to Adopters and used to support authentication of Licensed Products and Revocation.
- 1.23 “Licensed Component” means a product, such as an integrated circuit, circuit board, or software module, that is designed to be used as part of a Licensed Product and that embodies a portion of the HDCP Specification, but that does not embody the entire HDCP Specification or does not completely satisfy the Compliance Rules and the Robustness Rules.
- 1.24 “Licensed Product” means a product or combination of Licensed Source Components, including but not limited to a software application, hardware device or combination thereof, that (a) implements the HDCP Specification and complies with all requirements of the HDCP Specification not expressly identified as optional or informative and (b) is Compliant.

- 1.25 “Licensed Source Component” means a Licensed Component that (a) is designed to be used solely in Source Device in combination with one or more other Licensed Source Components to form a Licensed Product and (b) complies with all provisions of the Compliance Rules applicable to Licensed Source Components and with Section 4 of the Robustness Rules.
- 1.26 “Person” means any natural person, corporation, partnership, or other entity.
- 1.27 “Presentation Device” shall have the meaning given in the Compliance Rules
- 1.28 “Repeater” shall have the meaning given in the Compliance Rules.
- 1.29 “Reseller” means the entity named on Exhibit B and includes its Affiliates.
- 1.30 “Revocation” or “Revoked” shall have the meaning given in Section 1.31.
- 1.31 “Revoke” means, with respect to a Key Selection Vector, to distribute information, as authorized or provided by Licensor, to Content Participants for purposes of their distributing such information with Audiovisual Content in order to cause such Key Selection Vector in Presentation Devices or Repeaters to be invalidated with respect to such content (generally, “Revocation” or “Revoked”). Reseller is advised that, although neither this Agreement nor the HDCP Specification imposes any obligation on a Licensed Product with respect to how such Licensed Product should respond to such invalidation of a KSV, the license agreements relating to other technologies implemented in a product containing an HDCP-protected connection may impose such requirements.
- 1.32 “Robustness Rules” shall mean the requirements set out in the exhibit entitled “Robustness Rules” to each Adopter Agreement, as such exhibits may be revised by Licensor from time to time.
- 1.33 “Source Device” shall have the meaning given in the Compliance Rules.
- 1.34 “System Operator” means the provider of a satellite, cable or other conditional access service that transmits Audiovisual Content to the general public and that has executed a System Operator Agreement.
- 1.35 “System Operator Agreement” means an “HDCP System Operator Agreement” entered into by and between Licensor and a System Operator.
- 1.36 “System Renewability Message” shall have the meaning given in the HDCP Specification.

2. AUTHORIZATION AND DISTRIBUTION OF COMPONENTS

- 2.1 **Authorization.** Subject to the terms and conditions of this Agreement, Licensor hereby authorizes Reseller, during the term of this Agreement, only to receive Licensed Components from HDCP Adopters and HDCP Associates and to resell and distribute such Licensed Components only to HDCP Adopters or to HDCP Associates for the sole purpose of incorporating such Licensed Components into other Licensed Components or Licensed Products or reselling such Licensed Components to an HDCP Adopter or HDCP Associate. Reseller’s obligations with respect to verifying that the authorized recipient of Licensed Components in

fact uses and includes Licensed Components only in Licensed Components or Licensed Products or resell such Licensed Components to an HDCP Adopter or HDCP Associate shall be limited to verifying prior to delivery that (i) the intended recipient is in fact an HDCP Adopter or HDCP Associate, (ii) Reseller has no reason to believe that the intended recipient is not in fact an HDCP Adopter or HDCP Associate, (iii) Reseller has no reason to believe that the HDCP Adopter or HDCP Associate does not intend to incorporate the Licensed Component into another Licensed Component or Licensed Product and (iv) Reseller has no reason to believe that the HDCP Adopter or HDCP Associate intends to resell such Licensed Components to any Person other than an HDCP Adopter or HDCP Associate.

- 2.2 **Prohibition on Reverse Engineering.** Reseller shall under no circumstances reverse engineer, decompile, disassemble or otherwise determine the operation of HDCP or any Licensed Component.
- 2.3 **No Modification.** Reseller shall under no circumstances tamper with or otherwise modify any Licensed Component.
- 2.4 **Compliance with Laws, Export.** Reseller shall comply with all applicable rules and regulations of the United States and other countries and jurisdictions, including but not limited to those relating to the export or re-export of commodities, software and technical data insofar as they relate to the activities under this Agreement. Reseller acknowledges that commodities, software and technical data provided under this Agreement may be subject to restrictions under the export control laws and regulations of the United States and other countries and jurisdictions, as applicable, including but not limited to the U.S. Export Administration Act and the U.S. Export Administration Regulations, as may be amended from time to time, and shall obtain any approval required under such laws and regulations whenever it is necessary for such export or re-export.
- 2.5 **Covenant Not to Sue.** Reseller covenants and agrees not to assert any patent claim against Licensor, Founder, any HDCP Adopter, HDCP Associate or Content Participant for using, making, offering to sell, selling and importing those portions of Licensed Products or Licensed Components that implement HDCP.

3. TERM/TERMINATION

- 3.1 **Term.** This Agreement shall be effective as of the Effective Date and shall remain in full force and effect until terminated in accordance with any of the following events:
 - 3.1.1 **Termination by Reseller.** Reseller may terminate this Agreement at any time upon ninety (90) days notice to Licensor.
 - 3.1.2 **Termination by Licensor.** Licensor may terminate this Agreement (a) for convenience at any time after the tenth anniversary of the Effective Date upon six (6) months notice to Reseller; (b) at any time upon six (6)

months notice to Reseller if Licensor determines, in its sole discretion, that it is not commercially reasonable to carry on the business of licensing HDCP or (c) upon notice to Reseller if the use of HDCP is enjoined, or Licensor or Founder determines, in its sole discretion, that it may be enjoined, due to an alleged infringement of a third-party intellectual property right.

3.1.3 **Breach.** In the event that either party (a) materially breaches any of its obligations hereunder, which breach is not cured, or not capable of cure, within thirty (30) days after notice is given to the breaching party specifying the breach; or (b) repeatedly breaches any of its obligations hereunder and fails to cure and cease committing such repeated breaches within thirty (30) days after being given notice specifying the breaches, then the party not in breach may, by giving notice thereof to the breaching party, terminate this Agreement, upon the expiration of a thirty (30)-day period beginning on the date of such notice of termination, or in the event of a material breach that is not capable of cure within such thirty (30)-day period, upon such notice of termination.

3.2 **Effect of Termination.** Upon termination of this Agreement, all rights and authorizations granted to Reseller under Section 2 immediately shall terminate; provided, however, that Reseller may sell or distribute Licensed Components and Licensed Source Components, in accordance with Section 2, for ninety (90) days after such termination.

3.3 **Survival.** The following sections shall survive termination of this Agreement: 2.2, 2.3, 2.4, 2.5, 3.2, 4, 5, 6 and this Section 3.3.

4. **DISCLAIMER & LIMITATION ON LIABILITY**

4.1 **Generally.** The terms of this Section 4 limit the ability of Reseller to recover damages from Licensor or Founder. The terms of this Section 4 are an essential part of the bargain, without which Licensor would not be willing to enter into this Agreement.

4.2 **Disclaimer.** ALL INFORMATION, MATERIALS AND TECHNOLOGY, INCLUDING BUT NOT LIMITED TO HDCP, THE HDCP SPECIFICATION, DEVICE KEYS, DEVICE KEY SETS, KSVS AND SYSTEM RENEWABILITY MESSAGES, ARE PROVIDED "AS IS." LICENSOR, FOUNDER, KEY GENERATOR AND THEIR RESPECTIVE AFFILIATES MAKE NO REPRESENTATIONS OR WARRANTIES, EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, AND EXPRESSLY DISCLAIM IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE AND ANY EQUIVALENTS UNDER THE LAWS OF ANY JURISDICTION THAT MIGHT ARISE FROM ANY ACTIVITIES OR INFORMATION DISCLOSURES RELATING TO THIS AGREEMENT, ANY OTHER AGREEMENT OR ANY OTHER ACTIVITY OF LICENSOR OR FOUNDER. LICENSOR, FOUNDER, KEY GENERATOR AND THEIR RESPECTIVE AFFILIATES FURTHER DISCLAIM ANY WARRANTY THAT HDCP, DEVICE KEYS, DEVICE KEY SETS, KSVS, SYSTEM

RENEWABILITY MESSAGES, THE HDCP SPECIFICATION, OR ANY IMPLEMENTATION OF THE HDCP SPECIFICATION, IN EACH CASE IN WHOLE OR IN PART, WILL BE FREE FROM INFRINGEMENT OF ANY INTELLECTUAL PROPERTY OR PROPRIETARY RIGHTS. WITHOUT LIMITING THE FOREGOING, LICENSOR, FOUNDER, KEY GENERATOR AND THEIR RESPECTIVE AFFILIATES DO NOT REPRESENT OR WARRANT THAT HDCP IS IMMUNE TO HACKING, CODE-BREAKING, PIRACY OR OTHER EFFORTS TO CIRCUMVENT HDCP.

- 4.3 **Limitation of Liability.** NONE OF LICENSOR, FOUNDER, KEY GENERATOR, AFFILIATES OF ANY OF THE FOREGOING, NOR ANY OF THEIR RESPECTIVE DIRECTORS, OFFICERS, AGENTS, MEMBERS, REPRESENTATIVES, EQUIVALENT CORPORATE OFFICIALS, OR EMPLOYEES ACTING IN THEIR CAPACITIES AS SUCH (COLLECTIVELY, THE "AFFECTED PARTIES") SHALL BE LIABLE TO RESELLER FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL OR PUNITIVE DAMAGES ARISING OUT OF ANY CAUSE OF ACTION RELATING TO THIS AGREEMENT, OR BASED ON THE MAKING, USING, SELLING, OFFERING FOR SALE OR IMPORTING ANY PRODUCTS OF RESELLER THAT IMPLEMENT HDCP OR ANY PORTION OF THE HDCP SPECIFICATION, WHETHER UNDER THEORY OF CONTRACT, TORT, INDEMNITY, PRODUCT LIABILITY OR OTHERWISE. WITHOUT LIMITING THE FOREGOING, IN NO EVENT WILL THE AFFECTED PARTIES' AGGREGATE LIABILITY TO RESELLER ARISING OUT OF ANY AND ALL CAUSES OF ACTION RELATING TO THIS AGREEMENT, OR BASED ON THE MAKING, USING, SELLING, OFFERING FOR SALE OR IMPORTING ANY PRODUCTS OF RESELLER THAT IMPLEMENT HDCP OR ANY PORTION OF THE HDCP SPECIFICATION, WHETHER UNDER THEORY OF CONTRACT, TORT, INDEMNITY, PRODUCT LIABILITY OR OTHERWISE, EXCEED THE LOWEST ADMINISTRATION FEE THAT ANY HDCP ADOPTER IS OBLIGATED TO PAY TO LICENSOR DURING ANY ONE YEAR PERIOD DURING THE TERM OF THIS AGREEMENT.

5. REMEDIES

- 5.1 **Indemnification for Wrongful Acts of Reseller.** Reseller shall indemnify and hold harmless Licensor, Founder, Key Generator and their respective Affiliates, and each of their respective officers, members, representatives, agents, directors, equivalent corporate officials, and employees from and against any and all claims, actions, suits, proceedings or litigation, and any losses, deficiencies, damages, liabilities, costs and expenses, including but not limited to reasonable attorney's fees and all related costs and expenses, to be paid or otherwise incurred in connection with the defense of any claim, action, suit, proceeding or litigation, that result from any breach of any covenant, agreement, representation or warranty herein by Reseller or negligent acts committed by Reseller.
- 5.2 **Component Inspection.** Reseller acknowledges that Licensor may acquire components on the open market for examination. Reseller shall provide

reasonable cooperation in affording Licensor a sample of any component distributed hereunder if requested.

- 5.3 **Equitable Relief.** Due to the unique nature of certain provisions hereof and the lasting effect of and harm from a breach of such provisions, including but not limited to making available the means for widespread circumvention of HDCP and threatening the content protection of copyrighted works afforded by HDCP, if Reseller breaches its representations, covenants or obligations hereunder, the parties recognize and agree that money damages alone may not adequately compensate an injured Person, that injury to such Person may be irreparable, and that injunctive relief is an appropriate remedy to prevent further or threatened breaches of this Agreement.
- 5.4 **Liquidated Damages.** The parties agree that it would be impossible to estimate the amount of damages in the event of certain breaches of this Agreement. In the event of a material breach by Reseller (a) of Sections 2.2, 2.3 or 2.4, Reseller shall be liable to Licensor for one million dollars (US \$1,000,000); (b) that involves any other provision of this Agreement, Reseller shall be liable to Licensor in an amount equal to its profits on the affected devices or software, and in no event more than eight million dollars (US \$ 8,000,000). For purposes of this Section 5.4, a series of substantially related events shall constitute a single material breach. A breach shall be “material” for purposes of this section 5.4 only if it has resulted in or would be likely to result in commercially significant harm to users of HDCP, including but not limited to HDCP Adopters and Content Participants, or constitute a threat to the integrity or security of HDCP.
- 5.5 **Third-Party Beneficiary Rights.** Reseller’s compliance with the terms and conditions of this Agreement is essential to maintain the value and integrity of HDCP. As part of the consideration granted herein, Reseller agrees that each Eligible Content Participant shall be a third-party beneficiary of this Agreement and shall be entitled to bring a claim or action to enforce rights against Reseller in accordance with the procedures set out in Section 1 of the Exhibit A with respect to Reseller’s sale or distribution of components capable of receiving or transmitting Audiovisual Data that Content Participant has caused or permitted to be distributed or transmitted. Such rights shall be limited to seeking injunctive relief against the distribution, commercial use and sale of components in breach of this Agreement that affects the integrity of HDCP. Reasonable attorneys’ fees and costs shall be awarded to the prevailing party or parties in connection with any such third-party-beneficiary claim, provided, however, that no party shall be obligated to pay to the prevailing party or parties any such fees or costs that exceed, in the aggregate, one million dollars (US \$1,000,000) for such third-party-beneficiary claim.

6. MISCELLANEOUS

- 6.1 **Entire Agreement.** This Agreement and the exhibits hereto constitute the entire agreement between the parties with respect to the subject matter hereof and supersede all prior oral or written agreements, correspondence, conversations, negotiations and understandings relating to the same subject matter. Except as

otherwise provided herein, this Agreement shall not be modified except by written agreement dated subsequent to the Effective Date and signed by both parties.

- 6.2 **Assignment.** The rights granted under this Agreement to Reseller are personal to Reseller and shall not be assigned or otherwise transferred except: (a) with the written approval of Licensor; (b) to a corporation controlling, controlled by or under common control with Reseller or (c) to the purchaser of a Reseller or the surviving entity in a merger, reorganization, or other business combination involving Reseller; provided notice of such assignment has been provided in advance to Licensor and the surviving or acquiring company has agreed in writing to be bound by the terms of this Agreement. Subject to the limitations set forth in this Agreement, this Agreement shall inure to the benefit of and be binding upon the parties, their successors and permitted assigns. Licensor may assign or transfer this Agreement to any Person that agrees to assume Licensor's obligations hereunder, and will provide Reseller with notice of such assignment or transfer.
- 6.3 **Presumptions.** In construing the terms of this Agreement, no presumption shall operate in either party's favor as a result of its counsel's role in drafting the terms or provisions hereof.
- 6.4 **Governing Law.** THIS AGREEMENT, AND ALL THIRD-PARTY BENEFICIARY CLAIMS BROUGHT HEREUNDER, SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO AGREEMENTS MADE AND TO BE PERFORMED ENTIRELY IN SUCH STATE.
- 6.5 **Consent to Jurisdiction.** IN CONNECTION WITH ANY LITIGATION BETWEEN THE PARTIES HERETO OR IN CONNECTION WITH ANY THIRD-PARTY BENEFICIARY CLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT, EACH PARTY IRREVOCABLY CONSENTS TO: (a) THE NON-EXCLUSIVE JURISDICTION AND VENUE IN THE FEDERAL AND STATE COURTS LOCATED IN THE COUNTY OF NEW YORK, NEW YORK, AND IN THE FEDERAL AND STATE COURTS LOCATED IN ANY COUNTY OF CALIFORNIA OR OREGON; AND (b) THE SERVICE OF PROCESS OF SUCH COURTS IN ANY MATTER RELATING TO THIS AGREEMENT BY PERSONAL DELIVERY OR BY MAILING OF PROCESS BY REGISTERED OR CERTIFIED MAIL, POSTAGE PREPAID, AT THE ADDRESSES SPECIFIED IN THIS AGREEMENT, OR TO THE AGENT TO BE APPOINTED PURSUANT TO SECTION 6.5.2.
- 6.5.1 RESELLER WAIVES ANY OBJECTION TO THE JURISDICTION, PROCESS, AND VENUE OF ANY SUCH COURTS, AND TO THE EFFECTIVENESS, EXECUTION, AND ENFORCEMENT OF ANY ORDER OR JUDGMENT (INCLUDING, BUT NOT LIMITED TO, A DEFAULT JUDGMENT) OF SUCH COURTS PERTAINING TO THIS AGREEMENT, TO THE MAXIMUM EXTENT PERMITTED BY THE LAW OF THE PLACE WHERE ENFORCEMENT OR EXECUTION OF ANY SUCH ORDER OR JUDGMENT MAY BE SOUGHT AND BY

THE LAW OF ANY PLACE WHOSE LAW MAY BE CLAIMED TO BE APPLICABLE REGARDING THE EFFECTIVENESS, ENFORCEMENT, OR EXECUTION OF SUCH ORDER OR JUDGMENT, INCLUDING PLACES OUTSIDE OF THE STATES OF NEW YORK, CALIFORNIA, OREGON AND THE UNITED STATES.

- 6.5.2 IF RESELLER DOES NOT HAVE A PLACE OF BUSINESS IN ANY OF THE STATES OF NEW YORK, CALIFORNIA OR OREGON, IT SHALL APPOINT AN AGENT IN ANY SUCH STATE FOR ACCEPTANCE OF SERVICE OF PROCESS PROVIDED FOR UNDER THIS AGREEMENT AND SHALL NOTIFY LICENSOR OF THE IDENTITY AND ADDRESS OF SUCH AGENT WITHIN THIRTY (30) DAYS AFTER THE EFFECTIVE DATE.
- 6.6 **Notice.** Unless otherwise specified in this Agreement, all notices to be provided pursuant to this Agreement shall be given in writing and shall be effective when either served by personal delivery or upon receipt via certified mail, return receipt requested, postage prepaid, overnight courier service or sent by facsimile transmission with hard copy confirmation sent by certified mail, in each case to the party at the addresses set out on the signature page hereof.
- 6.7 **Severability; Waiver.** In the event that any part or parts of this Agreement is (are) judicially declared to be invalid, unenforceable, or void, the parties agree that such part or parts so held to be invalid, unenforceable, or void shall be reformed by the entity having jurisdiction thereover without further action by the parties hereto and only to the extent necessary to make such part or parts valid and enforceable. A waiver by either of the parties hereto of any of the covenants to be performed by the other party or any breach of this Agreement shall not be effective unless made in writing and signed by the waiving party and shall not be construed to be a waiver of any succeeding breach thereof or of any covenant herein contained.
- 6.8 **Headings and Captions.** Section headings in this Agreement are for convenience only and shall not affect the interpretation of any provision of this Agreement.
- 6.9 **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date last written below.

**Digital Content Protection,
L.L.C. :**

By: _____

Name: _____

Title: _____

Date: _____

Addresses for notices:

**Digital Content Protection,
L.L.C. :**

Reseller :

By: _____

Name: _____

Title: _____

Date: _____

Reseller :

EXHIBIT A
PROCEDURES FOR THIRD PARTY BENEFICIARY CLAIMS

1. Procedures for Third-Party Beneficiary Claims

- 1.1 Prior to initiating any third-party beneficiary claim under this Agreement by an Eligible Content Participant (a “Beneficiary Claim”) against Reseller, such Content Participant (a “Third-Party Beneficiary”) shall provide Licensor with notice and consultation reasonable under the circumstances regarding a proposed Beneficiary Claim; provided that such consultation with Licensor shall not affect such Third-Party Beneficiary’s discretion in initiating such a Beneficiary Claim. Such Third-Party Beneficiary shall further provide Licensor with notice of actual filing of a Beneficiary Claim and, upon Licensor’s request, any copies of principal pleadings to be filed in such Third-Party Beneficiary’s initiation or pursuit of such Beneficiary Claim. Licensor shall cooperate reasonably with such Third-Party Beneficiary in providing appropriate and necessary information in connection with the Beneficiary Claim to the extent that such cooperation is consistent with the preservation of the integrity and security of HDCP and to the extent such cooperation does not involve release of information provided to Licensor by a Content Participant, Adopter or HDCP Associate that such Content Participant, Adopter or HDCP Associate has designated to Licensor to be its confidential and proprietary information. Documents provided to Licensor under these third-party-beneficiary procedures shall not include any documents filed or to be filed under seal in connection with such Beneficiary Claim.
- 1.2 Licensor shall provide all Content Participants with prompt notice of Licensor’s receipt of any notice of a Beneficiary Claim against Reseller (a “Claim Notice”). Within thirty (30) days of the date of receipt of a Claim Notice, all Eligible Content Participants shall elect whether to join such Beneficiary Claim, and the failure of any Eligible Content Participant to provide notice to Licensor of such election and to move to join such Beneficiary Claim within such thirty (30) days shall be deemed a waiver of such Content Participant’s third-party-beneficiary right under this Agreement with respect to all Beneficiary Claims against Reseller arising out of the alleged breach by Reseller raised in such Beneficiary Claim asserted by the Third-Party Beneficiary. The Third-Party Beneficiary initiating a Beneficiary Claim shall support, and Reseller shall not object to, any motion to so join by such Third-Party Beneficiaries electing to join such Beneficiary Claim within such thirty (30)-day period. Any judgment entered upon such Beneficiary Claim shall be binding on all Content Participants that failed to join such Beneficiary Claim after receipt of such notice as if they had joined such Beneficiary Claim. No Content Participant’s failure to notify or consult with Licensor, nor a Content Participant’s failure to provide to Licensor copies of any pleadings, nor Licensor’s failure to give notice to any Content Participant pursuant to these third-party-beneficiary procedures, shall be a defense against any Beneficiary Claim or grounds for a request to delay the granting of any preliminary relief requested. Neither Reseller nor any Content Participant shall involve Founder as a party in any Beneficiary Claim. The foregoing sentence

shall not apply to or preclude Founder's involvement or participation as a witness or in a similar capacity.

- 1.3 Third-Party Beneficiaries shall have no right to, and Reseller agrees that it will not, enter into any settlement that: (a) amends any material term of this Agreement or any Content Participant Agreement; (b) has a material effect on the integrity or security of HDCP or the operation of HDCP with respect to protecting Audiovisual Content from any unauthorized output, transmission, interception and copying, or the rights of Content Participants with respect to HDCP; or (c) affects any of Licensor's or Founder's rights in and to HDCP or any intellectual property right embodied therein, unless, in the case of this clause (c), Licensor shall have provided prior written consent thereto.
- 1.4 Nothing contained in these third-party-beneficiary procedures is intended to limit remedies or relief available pursuant to statutory or other claims that a Third-Party Beneficiary may have under separate legal authority.

**EXHIBIT B
RESELLER INFORMATION**

Name of Reseller	
Description of Reseller's Business	
Name of Contact Person	
Contact person's Address Phone No. Fax No. E-mail address	
Location of Principal Offices	
State or Country of Incorporation	