

## CONTENT DISTRIBUTION ADDENDUM TO SAFIA SPECIFICATION LICENSE AGREEMENT

This Addendum to the SAFIA Specification License Agreement is effective as of the latest date set out on the signature page hereof (the "Effective Date") by and between SAFIA Agent and the Adopter.

WHEREAS, the Founders have negotiated certain agreements, including a Founder Agreement and License Agreement, regarding the licensing of the SAFIA technology developed by the Founders for purposes of protecting certain digital content from unauthorized interception and copying;

WHEREAS, the Founders wish to enable uses of certain portions of the SAFIA Technology for purposes of content distribution;

WHEREAS, the Content Distribution Adopter named below has entered into that certain SAFIA License Agreement, which has a respective Effective Date of \_\_\_\_\_; and

NOW THEREFORE, in consideration of the foregoing premises and the covenants and agreements set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

- 1. License.** For so long as the License Agreement between Content Distribution Adopter, the Founders and SAFIA Agent is in full force and effect and the Content Distribution Adopter is not in default thereunder, the Founders grant a license under their respective Necessary Claims (as defined in the License Agreement) and SAFIA Agent grants a license under its non-patent intellectual property to Content Distribution Adopter to use SAFIA Technology to protect Audiovisual Content or Audio Content (as those terms are defined in the License Agreement) in the distribution of such digital content according to one or more of the Authorized Uses set out in Exhibit A hereto, as may be amended by the Founders from time to time. The licenses granted under this Section 1 shall not apply to the use of SAFIA Technology for the protection of Audiovisual Content or Audio Content for which Content Distribution Adopter is prohibited by law or other relevant government regulation from applying such protection.
- 2. Expansion of Reciprocal Non Assertion Covenant.** Content Distribution Adopter, on behalf of itself and its Affiliates, in addition to the Reciprocal Non-Assertion Covenant provided in the License Agreement, further promises not to assert or maintain against Founders, Licensor, any entity which has executed a document substantially similar to this Addendum ("Fellow Content Distribution Adopter"), Affiliates thereof or any vendor, distributor, purchaser or other person in the chain of distribution, and accepts the promise of Fellow Content Distribution Adopters not to assert or maintain, any claim of infringement under Fellow Content Distribution Adopters' and Affiliates' respective Necessary Claims, as well as under any trade secrets or copyrights in the Specifications, to the extent such Necessary Claims and/or trade secrets or copyrights are not already implicated in the Reciprocal Non-Assertion Covenant provided in the License Agreement, for the use of SAFIA Technology in one or more of the Authorized Uses set out in Exhibit A attached hereto ("Content Distribution Necessary Claims"), and provided that such promise does not extend to any Fellow Content Distribution Adopter which is asserting its Content Distribution Necessary Claims against the promisor, Founders, Licensor, Fellow Content Distribution Adopter and Affiliates thereof where the promisor is not in breach of its obligations under its License Agreement and/or Addendum. This section applies whether any particular Fellow Content Distribution Adopter has executed its respective Addendum before or after Content Distribution Adopter executes this Addendum. For avoidance of doubt, all details and limitations regarding the Reciprocal Non-Assertion Covenant provided in the License Agreement apply mutatis mutandis to this expanded Reciprocal Non-Assertion Covenant as if written here in full.

- 3. No Other Licenses.** Except for the rights expressly provided by this Addendum, no Founder or SAFIA Agent grants or receives, by implication, or estoppel, or otherwise, any rights under any patents or other intellectual property rights. Specifically, nothing in this Addendum shall be construed as a grant of a right to distribute copyrighted content in any manner not authorized by the copyright owner and/or relevant law.
- 4. Limited Effect.** This Addendum shall not be construed to waive any Founder’s or SAFIA Agent’s rights under law or any other agreement except as expressly set out here.
- 5. Compliance Rules.** Content Distribution Adopter remains obligated to comply with all Compliance Rules set out in the License Agreement, or, if applicable, with any supplemental Compliance Rules set out in connection with the Authorized Uses set out in Exhibit A hereto.
- 6. No Amendment.** Except to the extent contrary to the provisions of this Addendum, the provisions of the License Agreement entered into by Content Distribution Adopter shall be incorporated by reference herein and made a part hereof.
- 7. Conflicting Terms.** To the extent any terms of this Addendum conflict with the terms of the License Agreement, the terms of this Addendum shall control.
- 8. Definitions.** Capitalized terms not otherwise defined herein shall have the meaning attributed to them in the License Agreement.

IN WITNESS WHEREOF, the parties have executed this Addendum as of the date first above written.

**Hitachi Consumer Electronics Co., Ltd., in its capacity as SAFIA Agent:**

**Content Distribution Adopter:**

**By:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**By:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Addresses for notices:**

**SAFIA Agent:**

**Adopter:**

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**EXHIBIT A**  
**CONTENT DISTRIBUTION AUTHORIZED USES**

The following uses of SAFIA Technology constitute Authorized Uses, pursuant to Section 1 of this Addendum.

**1. Use for Prerecorded Content Distribution**

Use of SAFIA Technology to make recordings of Commercial Audiovisual Content or Commercial Audio Content on iVDR Storage Device in commercial quantities for sale or other distribution.

## EXHIBIT B FEES

### A. Annual Fee

Adopter may select whichever category or categories of license (including categories defined in Procedural Appendix of the License Agreement) are appropriate. Future Annual Fees owed by such Adopter shall be due on the anniversary of the effective date of Adopter's notice, provided that the Annual Fee payable for the last year of the Term shall be pro-rated based on the number of months remaining in the Term.

Category	Annual Fee (Japanese ¥)
Adopter: Prerecorded Content Distribution of TV Stream Recording	¥700,000-
Adopter - Limited: Prerecorded Content Distribution of TV Stream Recording	¥350,000-
Adopter: Prerecorded Content Distribution of Audio Stream Recording	¥700,000-
Adopter - Limited: Prerecorded Content Distribution of Audio Stream Recording	¥350,000-
Adopter: TV Stream Recording and Prerecorded Content Distribution of TV Stream Recording	¥1,200,000-
Adopter: Audio Stream Recording and Prerecorded Content Distribution of Audio Stream Recording	¥1,200,000-

#### Note:

The maximum Annual Fee for an Adopter selecting multiple categories (including categories defined in Procedural Appendix of the License Agreement) is ¥2,400,000.

Adopter who has selected TV Stream Recording (or Audio Stream Recording) defined in the License Agreement does not need additional fee for Prerecorded Content Distribution of TV Stream Recording (or Audio Stream Recording) defined in this Addendum.

### B. Distribution Fee

Prerecorded Content Distribution with iVDR Storage Device is exempt from the Distribution Fee.

Category	Annual Limit
Adopter: Prerecorded Content Distribution of TV Stream Recording	Unlimited
Adopter - Limited: Prerecorded Content Distribution of TV Stream Recording	Up to 12,000 units
Adopter: Prerecorded Content Distribution of Audio Stream Recording	Unlimited
Adopter - Limited: Prerecorded Content Distribution of Audio Stream Recording	Up to 12,000 units
Adopter: TV Stream Recording and Prerecorded Content Distribution of TV Stream Recording	Unlimited
Adopter: Audio Stream Recording and Prerecorded Content Distribution of Audio Stream Recording	Unlimited

Note:

In the case of Limited Adopter, distributions shall be limited to a maximum of 12,000 units per year.

**EXHIBIT C**  
**COMPLIANCE RULES FOR CONTENT DISTRIBUTION**

Exhibit C is composed of the following parts that may be applicable depending on the nature of the Licensed Product.

**Part 1-1 Compliance Rules for Prerecorded Content Distribution for TV Stream  
Recording of Audiovisual Content**

**Part 1-2 Compliance Rules for Prerecorded Content Distribution for TV Stream  
Recording of Audio Content**

**Part 2 Compliance Rules for Prerecorded Content Distribution for Audio Stream  
Recording**

The Founders may amend or add new part(s) to this Exhibit B, including for additional categories of Licensed Products.

**Part 1-1****COMPLIANCE RULES FOR PRERECORDED CONTENT DISTRIBUTION  
FOR TV STREAM RECORDING OF AUDIOVISUAL CONTENT****1. GENERAL****1.1 Scope**

The Compliance Rules for Prerecorded Content Distribution for TV Stream Recording of Audiovisual Content describe the method to enable protection of prerecorded content using the TVRS AV Stream specified in iVDR TV Recording Specification, and the SAFIA AV Stream and Usage Pass specified in "SAFIA Specifications, Recording and Playback Device for iVDR TV Recording Specification" (SAFIA/RPD-TV).

**1.2 Definitions**

Capitalized terms not herein defined shall have the meaning defined in the Agreement or the Specifications.

**2. REQUIREMENTS FOR PRERECORDING****2.1 CCI Settings**

(i) Control Count in ACs of the Usage Pass shall be set to (a) Generation Count of No More Copies, Copy One Generation or Not Asserted, or (b) Copy Count of permitted no more than 15 times, as the CCI status of the recorded SAFIA AV Stream.

(ii) The Output Control in ACe of the Usage Pass shall be set to 0b except the case when DOT is asserted, and the SAFIA\_CCI\_visual of the SAFIA AV Stream shall be set to (a) the same status as the Generation Count when the status of Control Count is Generation Count, or (b) No More Copies when the status of Control Count is Copy Count.

**2.2 Move Control**

MU, MB in ACs or MC in ACe may be asserted when the Move of content is restricted.

**2.3 Image Constraint Token (ICT)**

In case of content distribution of commercial audiovisual content, ICT shall not be asserted.

**2.4 Digital Only Token (DOT)**

In case of content distribution of commercial audiovisual content, DOT shall not be asserted.

**Part 1-2****COMPLIANCE RULES FOR PRERECORDED CONTENT DISTRIBUTION  
FOR TV STREAM RECORDING OF AUDIO CONTENT****1. GENERAL****1.1 Scope**

The Compliance Rules for Prerecorded Content Distribution for TV Stream Recording of Audio Content describe the method to enable protection of prerecorded content using the TVRS AV Stream specified in iVDR TV Recording Specification, and the SAFIA AV Stream and Usage Pass specified in "SAFIA Specifications, Recording and Playback Device for iVDR TV Recording Specification" (SAFIA/RPD-TV).

**1.2 Definitions**

Capitalized terms not herein defined shall have the meaning defined in the Agreement or the Specifications.

**2. REQUIREMENTS FOR PRERECORDING****2.1 CCI Settings**

(i) Control Count in ACs of the Usage Pass shall be set to (a) Generation Count of No More Copies or Copy One Generation, or (b) Copy Count of permitted no more than 15 times, as the CCI status of the recorded SAFIA AV Stream.

(ii) The Output Control in ACe of the Usage Pass shall be set to 0b, and the SAFIA\_CCI\_Audio of the SAFIA AV Stream shall be set to (a) the same status as the Generation Count when the status of Control Count is Generation Count, or (b) No More Copies when the status of Control Count is Copy Count.

**2.2 Move Control**

MU, MB in ACs or MC in ACe may be asserted when the Move of content is restricted.



**Part 2****COMPLIANCE RULES FOR PRERECORDED CONTENT DISTRIBUTION  
FOR AUDIO STREAM RECORDING****1. GENERAL****1.1 Scope**

The Compliance Rules for Prerecorded Content Distribution for Audio Stream Recording describe the method to enable protection of prerecorded content using the ARS Audio Stream specified in iVDR Audio Recording Specification, and the SAFIA Audio Stream and Usage Pass specified in "SAFIA Specifications, Recording and Playback Device for iVDR Audio Stream Recording" (SAFIA/RPD-Audio).

**1.2 Definitions**

Capitalized terms not herein defined shall have the meaning defined in the Agreement or the Specifications.

**2. REQUIREMENTS FOR PRERECORDING****2.1 CCI Settings**

Control Count in ACs of the Usage Pass shall be set to Generation Count of No More Copies as the CCI status of the recorded SAFIA Audio Stream.

**2.2 Move Control**

MU, MB in ACs shall be asserted and Move is not permitted to any storage medium.

**EXHIBIT D**  
**ACTIVATION NOTICE FOR CONTENT DISTRIBUTION**

The undersigned (“Adopter”) having entered into a CONTENT DISTRIBUTION ADDENDUM (the “Addendum”) to SAFIA SPECIFICATION LICENSE AGREEMENT (the “License Agreement”) with SAFIA Agent hereby activates its rights under the License Agreement in accordance with Section 2.2 of the License Agreement subject to the following:

- (1) Adopter chooses to be an:
  - Adopter: Prerecorded Content Distribution of TV Stream Recording
  - Adopter - Limited: Prerecorded Content Distribution of TV Stream Recording
  - Adopter: Prerecorded Content Distribution of Audio Stream Recording
  - Adopter - Limited: Prerecorded Content Distribution of Audio Stream Recording

(Choose one or multiple categories of Adopter.)

- (2) Payment of fees in connection with the activation of the Addendum and selection of an Adopter category; which fees may be amended by the Founders in accordance with the terms of the License Agreement.

All capitalized terms not otherwise defined herein shall have the meanings set forth in the License Agreement.

Please send to SAFIA Agent an executed copy of this Activation Notice via registered mail (as well as facsimile), and SAFIA Agent will inform Adopter via e-mail of the bank account number for remittance of fees.

\_\_\_\_\_

Company Name

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

TEL: \_\_\_\_\_

FAX: \_\_\_\_\_

E-mail: \_\_\_\_\_

**EXHIBIT A  
TO THE  
ACTIVATION NOTICE**

Any Fees paid by Adopter hereunder will be paid without deduction or withholding for or on account of any present or future tax, assessment, or governmental charge imposed or levied, unless in each case the withholding or deduction of such tax, assessment or governmental charge is required by law. In the event such withholding or deduction is so required, Adopter shall include with its payment written notification of such withholding and shall forward to SAFIA Agent in a timely manner evidence of such withholding adequate to permit SAFIA Agent and/or the Licensors to claim relevant tax credits under applicable treaties. Adopter assumes full responsibility for remitting such withholding to the proper authority.