

**ADVANCED ACCESS CONTENT SYSTEM (“AACS”)
INTERIM ADOPTER AGREEMENT**

This AACS Interim Adopter Agreement (“Interim Agreement”) is effective as of _____ (the “Effective Date”) by and between Advanced Access Content System License Administrator LLC, a Delaware limited liability company (“AACS LA”), the “Licensors” as defined below and the “Adopter” named below:

Name of Adopter

Description of Adopter’s Business

Name of Contact Person

Contact person’s Phone No., Address, Fax No., E-mail address

Location of Principal Offices

State or Country of Incorporation

Year of Incorporation

WITNESSETH:

WHEREAS, a group of companies identified below as the Licensors has developed certain technology and methods for data encryption, encryption key management, encryption system renewability, and forensic tracing, which methods are described in the Specifications entitled Advanced Access Content System (AACS) Specifications (as defined below);

WHEREAS, the Licensors have licensed or assigned aspects of the AACS Technology and Specifications to AACS LA and authorized AACS LA to further license the AACS Technology and administer such licenses, and whereas the Licensors shall license certain patent claims directly to Adopter on an enabling basis through this Interim Agreement;

WHEREAS, the Licensors are in the process of finalizing the terms of a Final Adopter Agreement (as defined below) and, pending such finalization, have authorized the issuance of this Interim Agreement to facilitate the rapid development of the market for Licensed Products;

WHEREAS, this Interim Agreement shall remain effective until the date identified in Section 7.1 (the “Expiration Date”);

WHEREAS, the Final Adopter Agreement will contain terms and conditions different from those contained in this Interim Agreement, including but not limited to provisions addressing Managed Copies of AACS Content and certain watermark detection obligations;

WHEREAS, if Adopter wishes to continue using and implementing the AACS Technology to design, develop, manufacture, use, reproduce, modify, distribute, sell, offer to sell, import, export or transfer Licensed Products and/or Licensed Components upon and after the expiration of this Interim Agreement, it will be required to enter into a Final Adopter Agreement.

WHEREAS, Adopter has agreed to comply with all obligations set out herein;

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. **DEFINITIONS.** Capitalized terms shall have the meanings set forth in this Section 1 or elsewhere in this Interim Agreement.
 - 1.1 “AACS Content” shall have the meaning given in the Compliance Rules.
 - 1.2 “AACS Keys” means, collectively, AACS Public Keys, Device Keys, Device Key Sets, MKBs, Media Keys, Sequence Keys, certificates, and all other cryptographic values referenced in the Specifications, other than Evaluation Keys, that are made available only by, or at the direction of and under license by, AACS LA.
 - 1.3 “AACS Public Keys” mean cryptographic values, used to verify signatures of items signed by AACS LA as described in the Specifications.

- 1.4 “AACS Technology” means the technology and methods for encryption, decryption, encryption key management, encryption system renewability and forensic tracing developed by the Licensors and described in the Specifications, and the AACS Keys and the Evaluation Keys.
- 1.5 “Acknowledged Product” of Adopter means (i) with respect to a product model first shipped after the Certification Requirement Date, a Test Unit that is the subject of an Acknowledgement of Compliance Testing and any other Licensed Product of Adopter that is not materially different from such Test Unit with respect to the means by which such Licensed Product achieves compliance with the Test Criteria and Certification Questionnaire and (ii) and with respect to a product model first shipped prior to the Certification Requirement Date, a product model for which Adopter has not received a failure notice from the Authorized Certification Entity after the Certification Requirement Date.
- 1.6 “Acknowledgement of Compliance Testing” shall mean the form specified by AACS LA to be issued by an Authorized Certification Entity upon the successful conclusion of Compliance Testing and successful completion and review of the Certification Questionnaire.
- 1.7 “Adopter” means the entity named at the beginning of this Interim Agreement (the “Executing Entity”), and shall include its Affiliates. For the avoidance of doubt, any reference to Adopter in this Interim Agreement shall be deemed to include the Executing Entity and its Affiliates, and any reference to “Affiliates” in the phrase “Adopter and its Affiliates” or “Adopter or its Affiliates” shall include any of the Executing Entity’s Affiliates but shall not include Affiliates of the Executing Entity’s Affiliates unless they are also Affiliates of the Executing Entity.
- 1.8 “Adopter Agreement” means this Interim Agreement, the Final Adopter Agreement and any other AACS license agreement (including its Compliance Rules and associated exhibits) signed between AACS LA and a party designated as “Adopter” that includes substantially similar licensing and covenant provisions to this Interim Agreement or Final Adopter Agreement.
- 1.9 “Affiliate” means with respect to any person or entity, any other person or entity directly or indirectly controlling or controlled by or under direct or indirect common control with such person or entity. “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.
- 1.10 “Approved License” means an Adopter Agreement, Content Participant Agreement, Content Provider Agreement, Reseller Agreement or other

license agreement for use of the Specifications and/or AACS Technology, approved by the Licensors.

- 1.11 “Authorized Certification Entity” shall mean an entity designated as such on the AACS LA web site.
- 1.12 “Authorized Reseller” means an entity that is authorized to receive and/or redistribute Licensed Components in accordance with a Reseller Agreement and this Agreement.
- 1.13 “Certification Questionnaire” means the questionnaire for use in review of Test Units published by AACS LA and designated as such pursuant to this Interim Agreement, as may be changed by AACS LA from time to time consistent with Section 3.2.3.
- 1.14 “Certification Requirement Date” shall have the meaning given in Section 3.1.
- 1.15 “Compliance Rules” means, with respect to products manufactured under this Interim Agreement, the requirements set out in Exhibit F [Compliance Rules] and, with respect to products manufactured under another Approved License, the requirements of such agreement entitled “Compliance Rules”, in each case, including the Robustness Rules contained therein, and as may be amended from time to time in accordance with the terms of the applicable Approved License.
- 1.16 “Compliance Testing” means the testing of a Test Unit for the purpose of determining compliance with the Test Criteria.
- 1.17 “Confidential Information” means any and all information relating to this Interim Agreement and/or the AACS Technology and/or the AACS Specifications that is marked “confidential” when disclosed in written form or indicated as confidential or proprietary to the discloser when disclosed orally, and confirmed by the discloser in writing within thirty days to be Confidential Information.
- 1.18 “Connected” means a device or software containing a Licensed Component or Licensed Product or Robust Inactive Product that must be activated by the end user by making an online connection to the Adopter or its designee at least once prior to using the functionality of the Licensed Component, Licensed Product or Robust Inactive Product, as part of an activation process designed to result in a Licensed Product, through download or installation of an encryption key, additional software code, or other technical means without which such functionality will not be usable and which subsequent to such activation performs Periodic Updates.

- 1.19 “Content Participant” means an entity that has executed a Content Participant Agreement, and shall include its Affiliates.
- 1.20 “Content Participant Agreement” means any Approved License entered into by AACCS LA, Licensors and a provider of Digital Entertainment Content that is called an Interim Content Participant Agreement or a Content Participant Agreement by AACCS LA.
- 1.21 “Content Provider” means an entity that has executed a Content Provider Agreement, and shall include its Affiliates.
- 1.22 “Content Provider Agreement” means any Approved License entered into by AACCS LA, Licensors and a provider of Digital Entertainment Content that is called an Interim Content Provider Agreement or a Content Provider Agreement by AACCS LA.
- 1.23 “Device Key” means a cryptographic value used to decrypt portions of a Media Key Block in order to calculate a Media Key, as defined by the technical specifications contained in “AACCS Introduction and Common Cryptographic Elements,” published by AACCS LA.
- 1.24 “Device Key Set” means Device Keys which are provided to Adopter by AACCS LA or its designee for use in a specific device or set of devices.
- 1.25 “Digital Entertainment Content” means audiovisual works and/or sound recordings as defined in 17 U.S.C. § 101, games, ebooks or software and related information or material intended for enjoyment by end-users that may include by way of example and not of limitation, graphics, liner notes, and interviews with or statements by artists, which is: (a) not created by a user of the Licensed Product; and (b) offered for transmission, delivery or distribution, either generally or on demand, to subscribers, purchasers or licensees, or the public at large, or otherwise for commercial purposes, not uniquely to an individual or a small, private group.
- 1.26 “Eligible Content Participant” means (i) a Founder or its Affiliate that in either case is a Content Participant in compliance with all of the material terms and conditions of its Content Participant Agreement; (ii) a Contributor listed in Exhibit E attached hereto that is a Content Participant in compliance with all of the material terms and conditions of its Content Participant Agreement; or (iii) any other Content Participant that falls within the definition of “Eligible Content Participant” under a Final Adopter Agreement or Final Content Participant Agreement. For the avoidance of doubt, former Content Participants whose Content Participant Agreement is no longer in effect shall not be deemed Eligible Content Participants after the expiration or termination of their Content Participant Agreement.

- 1.27 “Eligible Fellow Adopter” means (i) a Founder or its Affiliate that in either case is a Fellow Adopter and in compliance with all of the with all of the material terms and conditions of its Adopter Agreement; (ii) a Contributor listed in Exhibit E attached hereto that is a Fellow Adopter and in compliance with all of the material terms and conditions of its Adopter Agreement; or (iii) any other Fellow Adopter that falls within the definition of Eligible Fellow Adopter under a Final Adopter Agreement or Final Content Participant Agreement. For the avoidance of doubt, former Fellow Adopters whose Adopter Agreement is no longer in effect shall not be deemed Eligible Fellow Adopters after the expiration or termination of their Adopter Agreement.
- 1.28 “Evaluation Election Date” means the date upon which the AACS LA confirms Adopter’s election on Exhibit A to become an evaluation licensee pursuant to Section 2.2.
- 1.29 “Evaluation Keys” means such facsimile versions of AACS Keys as are supplied by, or at the direction of and under license by, AACS LA to allow a Fellow Adopter to evaluate, test and develop Evaluation Licensed Components or Evaluation Licensed Products according to the Specifications.
- 1.30 “Evaluation Licensed Component” means those portions of a component which are made under license from AACS LA and the Licensors for testing, evaluation or development purposes, and which are designed to be and which are assembled into an Evaluation Licensed Product or which are transferred or sold to a Fellow Adopter, consistent with Section 2.2 (or comparable provision of another Adopter Agreement).
- 1.31 “Evaluation Licensed Content Product” means those portions of digital data in a pre-recorded or downloadable content product protected by or that implement AACS Technology whether or not embodied in a physical medium, that implement one or more Specifications under license from AACS LA and the Licensors for testing, evaluation or development purposes and that may incorporate Evaluation Keys. For the avoidance of doubt, to the extent such data files are arranged or placed on a physical medium in a manner described with particularity by the mandatory portions of the Specifications, “Evaluation Licensed Content Product” includes such arrangement or placement, but excludes the physical medium.
- 1.32 “Evaluation Licensed Product” means those portions of a product, other than a Managed Copy Service or Evaluation Managed Copy Service, implementing one or more Specifications and incorporating Evaluation Keys, made under license from AACS LA and the Licensors for testing, evaluation or development purposes or which is transferred or sold to a Fellow Adopter. For the avoidance of doubt, “Evaluation Licensed

Product” includes (a) an Evaluation Licensed Content Product, and (b) those portions of data arranged or placed on a blank recordable physical media evaluation product in a manner described with particularity by the mandatory portions of the Specifications, but excludes the physical medium; in either case that meet the elements of the foregoing definition.

- 1.33 “Evaluation Managed Copy Service” means those portions of the Managed Copy online transaction functions (including but not limited to authorization functions) of a product or service, which portions implement portions of the Specifications and are made or performed under license from AACCS LA and the Licensors for testing, evaluation or development purposes .
- 1.34 “Expire” means steps set forth in the Specifications by which AACCS Keys may be invalidated, rendering them unable to be used to decrypt, record or playback Digital Entertainment Content protected by the AACCS Technology (including, where the context requires, “Expiration” or “Expired”).
- 1.35 “Expiration Information” means information distributed to Fellow Adopters, Content Providers and Content Participants by or under the direction of AACCS LA for purposes of distributing such information as required by the Specifications and Compliance Rules in order to Expire one or more AACCS Keys.
- 1.36 “Fellow Adopter” means any Licensor, and any other entity (including Adopter), which has entered into a binding Adopter Agreement with AACCS LA and Licensors in order to use and implement any Specification and the AACCS Technology licensed pursuant to such Adopter Agreement and shall include its Affiliates.
- 1.37 “Final Adopter Agreement” shall mean an Adopter Agreement designated other than “interim” by AACCS LA.
- 1.38 “Final Content Participant Agreement” shall mean a Content Participant Agreement designated other than “interim” by AACCS LA.
- 1.39 “Founders” shall mean The Walt Disney Company, International Business Machines Corporation, Intel Corporation, Microsoft Corporation, Panasonic Corporation, Toshiba Corporation, Sony Corporation, and Warner Bros. Technical Operations, Inc.
- 1.40 “Highly Confidential Information” means information relating to this Interim Agreement and/or the AACCS Technology and/or the AACCS Specifications which information is marked “Highly Confidential Information” when disclosed in written form or indicated as “Highly

Confidential” when disclosed orally and confirmed by any Licensors or AACCS LA in writing within thirty days to be “Highly Confidential,” provided, however, that those AACCS Keys listed on Exhibit D hereto shall be treated as “Highly Confidential Information” regardless of whether or not they are marked “Highly Confidential.”

- 1.41 “Interim Adopter Agreement” shall mean an Adopter Agreement designated as “interim” by AACCS LA.
- 1.42 “Interim Content Participant Agreement” shall mean a Content Participant Agreement designated as “interim” by AACCS LA.
- 1.43 “Licensed Component” means that portion of a component, other than an Evaluation Licensed Component, such as an integrated circuit, circuit board, or software module which (i) is manufactured under license from AACCS LA and the Licensors, (ii) is designed solely to be and, except in the case of a Robust Inactive Product, is assembled into a Licensed Product, or is sold or otherwise distributed to a Fellow Adopter or an Authorized Reseller solely for resale and/or distribution in accordance with the terms of the Reseller Agreement and the applicable Adopter Agreement; (iii) embodies a portion, but not all, of the mandatory parts of one or more Specifications and/or which, by virtue of the fact that it is not a Licensed Product, does not by itself completely satisfy all of the Compliance Rules; (iv) cannot by itself, or with the mere addition of AACCS Keys, decrypt any Digital Entertainment Content protected using the AACCS Technology; and (v) does not contain AACCS Keys (other than AACCS Public Keys) unless (x) it is distributed to an end user in the course of a Periodic Update or (y) Adopter (or the applicable Fellow Adopter) upon distribution to a third party employs commercially reasonable business practices to verify receipt by a customer authorized under Sections 2.3.1 and 2.3.2 hereof and promptly reports to AACCS any failure of a Licensed Component to be received by such customer following shipment.
- 1.44 “Licensed Content Producer” means a Fellow Adopter that (i) engages in mastering or authoring of digital data and/or the use of such data to produce a glass master (or equivalent) as intermediate steps towards the production of pre-recorded physical media containing Evaluation Licensed Content Products or Licensed Content Products, or (ii) prepares Licensed Content Products for online delivery.
- 1.45 “Licensed Content Product” means those portions of digital data of a pre-recorded or downloadable content product protected by or using AACCS Technology (at least some of which data must contain a reproduction in digital form of Digital Entertainment Content), that: (i) implement one or more Specifications, whether or not embodied in an optical medium; (ii) are not an Evaluation Licensed Content Product; (iii) are manufactured or

produced under license from AACCS LA and the Licensors pursuant to an Adopter Agreement; (iv) embody and comply with all mandatory elements of all applicable Specifications, and (v) meet all applicable Compliance Rules. For the avoidance of doubt, to the extent such data are arranged or placed on a physical medium in a manner described with particularity by the mandatory portions of the Specifications, “Licensed Content Product” includes such arrangement or placement, but excludes the physical medium.

- 1.46 “Licensed Product” means those portions of a product, other than a Managed Copy Service, Evaluation Managed Copy Service or Evaluation Licensed Product, manufactured under license from AACCS LA and the Licensors pursuant to an Adopter Agreement that: (i) embody and comply with all mandatory elements of all applicable Specifications; (ii) if shipped after the Certification Requirement Date and are not a Licensed Content Product, are an Acknowledged Product (iii) meet all applicable Compliance Rules, and (iv) are designed for the playback and/or recording of Digital Entertainment Content. For the avoidance of doubt, “Licensed Product” includes: (x) a Licensed Content Product; and (y) those portions of data arranged or placed on a blank recordable physical media product in a manner described with particularity by the mandatory portions of the Specifications, but excludes the physical medium; in either case that meet the elements of the foregoing definition.
- 1.47 “Licensors” means Intel GF Inc., International Business Machines Corporation, Panasonic Intellectual Property Corporation of America, Microsoft Corporation, SCA IPLA Holdings, Inc. (“Sony”), Toshiba America Information Systems, Inc., Disney Technology Operations and Licensing, and Warner Bros. Entertainment, Inc.
- 1.48 “Managed Copy” shall have the meaning set forth in the Compliance Rules.
- 1.49 “Managed Copy Service” means those portions of the Managed Copy online transaction functions (including but not limited to authorization functions) of a product or service, which portions are made or performed under license from AACCS LA and the Licensors and used in a production environment under a Final Adopter Agreement or other Approved License expressly authorizing use of a Managed Copy Service in a production environment and that: (i) embody and comply with all mandatory elements of all applicable Specifications related to a Managed Copy service provider and (ii) meet all applicable Compliance Rules under the Final Adopter Agreement.
- 1.50 “Media Key” means a cryptographic value calculated by processing a Media Key Block using Device Keys, or that is delivered to a Licensed

Content Producer, along with the corresponding Media Key Block, for inclusion on prerecorded media.

- 1.51 “Media Key Block” or “MKB” means the encrypted block of keys which is provided for use with AACCS Technology and defined by the Specifications.
- 1.52 “Necessary Claims” means those claims of patents or patent applications as may issue, that are necessarily infringed by Licensed Products, Robust Inactive Products or Licensed Components or Managed Copy Services which implement a Specification. A claim in a patent (or patent application) is “necessarily infringed” if (i) the claim reads on the Specification and (ii) there are no alternatives for implementing the applicable portion(s) of the Specification that do not infringe such claim or any other claim of such patent (or such patent application as may issue). “Necessary Claims” shall not include any claims: (1) that read solely on any implementations of any portion of the Specification that are not within the bounds of the scope of use set forth in Section 2.4; (2) which, if licensed, would require a payment by the licensor to third parties that are not Affiliates of the licensor; (3) that relate to semiconductors and semiconductor manufacturing technology; or (4) that relate to aspects of any technology, standard or product that is an Optional part of the Specification or is not itself disclosed with particularity in the Specification (even though such technology, standard or product may otherwise be mentioned or required by the Specification), including claims: (i) that relate to aspects of any technology, codec, standard or product, including compression, encoding or decoding ability, tamper resistance, or other copy protection technologies; (ii) that relate to any technology that may be necessary to develop, design, manufacture, sell or use any product or portion thereof that complies with the Specification (examples of such technologies include, without limitation, optical disk technology -- including materials and materials-based methods that enable high data storage densities and/or distinguish genuine optical disks from counterfeit optical disks, relying, at least in part, on a determination of the material composition of such optical media); (iii) that relate to commercially available applications, application programming interfaces and user interfaces, including the technology used to generate, display such user interfaces or interact with a user through such interfaces, programming languages, compiler technology, object-oriented technology, basic operating system technology, middleware technology, database technology, networking, intranet, extranet, web services and Internet technology; (iv) that relate to content formats; and (v) that relate to watermarking and data embedding technology.
- 1.53 “Optional” means, with reference to a Specification, any part of such Specification specifically identified as “Optional.”

- 1.54 “Party” or “Parties” means a party or parties to this Interim Agreement.
- 1.55 “Periodic Update” means the modification of a Licensed Component, Licensed Product or Robust Inactive Product, including, when necessary, provision of or replacement of the Device Key Set, via means not unduly burdensome to the end user such as download of updated software from a website, so that the implementation as modified is a Licensed Product and, when the Device Key Set has been replaced, only the new Device Key Set can be used to decrypt portions of a Media Key Block in order to calculate a Media Key.
- 1.56 “Production Election Date” means the date upon which AACCS LA confirms Adopter’s election on Exhibit A, to become a production licensee pursuant to Section 2.3.
- 1.57 “Relatively Necessary Claim” means any claim of a patent or of a patent application that would be a Necessary Claim but for the existence of at least one implementation (of the relevant part of the Specification) that does not infringe such claim but which is commercially unreasonable in that such implementation or implementations would have a commercially significant adverse effect on performance manufacturability, or manufacturing cost, although the price charged by the implementer for such alternative implementation shall not be considered.
- 1.58 “Reseller Agreement” means an agreement between AACCS LA, Licensors and an entity that is authorized thereunder to receive and redistribute Licensed Components, and which is called a Reseller Agreement by AACCS LA.
- 1.59 “Robust Inactive Product” means those portions of a component or product, other than a Managed Copy Service or Evaluation Managed Copy Service, manufactured under license from AACCS LA and the Licensors that embody a portion or all of the mandatory portions of one or more Specifications and which meets one of the following sets of conditions:
- 1.59.1 (i) is Connected; (ii) does not contain a Device Key; (iii) is no less secure from circumvention (including but not limited to modification and /or compromise of Confidential and Highly Confidential Information) than a Licensed Product is required to be; and (iv) meets the Robustness Rules that would be applicable to those portions implemented in such component or product if they were implemented in a Licensed Product, except that portions of such component or product implemented in software object code may, alternatively, meet the requirements of (iii) and this subsection (iv) if they are encrypted using a strength of encryption that is equal to or greater than the cipher

used for encryption of Digital Entertainment Content as specified in the Specifications; provided that the keys necessary to decrypt and use such portions are not made available other than by the Adopter or its designee during the activation process described in the definition of Connected; or

- 1.59.2 (i) is a multi-purpose chip that has had its AACS Technology functions permanently disabled prior to shipment to a customer that did not elect to include such functions in its order; (ii) does not contain a Device Key, (iii) is no less secure from circumvention (including but not limited to modification and /or compromise of Confidential and Highly Confidential Information) than a Licensed Product is required to be; and (iv) meets the Robustness Rules that would be applicable to those portions implemented in such component or product if they were implemented in a Licensed Product.
- 1.60 “Robustness Rules” means the requirements designated as such in the Compliance Rules set out in Exhibit F hereto, as may be amended by the AACS LA from time to time.
- 1.61 “Self-Certification Eligible” means, with respect to a particular Test Criteria, that Adopter has previously received an Acknowledgement of Compliance Testing based on Compliance Testing by an Authorized Certification Entity of an Adopter Test Unit to which such Test Criteria was applicable, provided that (i) Adopter has not, since receiving such Acknowledgement of Compliance Testing, become ineligible under Section 3.1.2.2 and (ii) a change to such Test Criteria has not become effective under Section 3.2.3.
- 1.62 “Sequence Keys” has the meaning set forth in the Specifications.
- 1.63 “Specification” or “Specifications” means version 0.91 or higher of one or more of the Advanced Access Content System Specifications comprised of the following books, once AACS LA has given public notice on its website that such version is licensable under Approved Licenses: “AACS Introduction and Common Cryptographic Elements,” “AACS Pre-recorded Video Book,” “AACS Recordable Video Book,” “AACS Blu-ray Disc Pre-recorded Book,” “AACS Blu-ray Disc Recordable Book,” “AACS HD DVD and DVD Pre-recorded Book,” “AACS HD DVD Recordable Book,” and any future specification that extends the applications of the “AACS Introduction and Common Cryptographic Elements,” “AACS Pre-recorded Video Book,” “AACS Recordable Video Book” to optical media formats, as any of the foregoing may be amended from time to time but only in a manner consistent with Section 4.1.

- 1.64 “Test Criteria” shall mean the criteria, test plan, and associated tools (e.g., test disks) for testing Test Units that are published by AACCS LA and designated as such pursuant to this Interim Agreement, as may be changed by AACCS LA from time to time consistent with Section 3.2.3.
- 1.65 “Test Unit” shall mean a particular unit of a product designed to be a Licensed Product that undergoes Compliance Testing pursuant to Sections 3.1.1 or 3.1.2.
- 1.66 “Third Party Beneficiary” means an entity or person entitled to bring a Third Party Beneficiary Claim pursuant to Sections 9.6 or 9.7.
- 1.67 “Third Party Beneficiary Claim” means a claim brought pursuant to Sections 9.6 or 9.7.

2. LICENSES GRANTED

- 2.1 Generally. Adopter may enter into the evaluation licenses set forth in Section 2.2, the production licenses set forth in Section 2.3, or both. Adopter shall elect either or both of the licenses by their selection on Exhibit A upon execution of this Interim Agreement, and by payment of the appropriate fees per Exhibit B. Adopter electing one license upon execution may enter a second by submitting a revised Exhibit A, and by payment of the appropriate fees per Exhibit B. Adopter’s license rights under this Interim Agreement are expressly limited to those set forth in Section 2.2 and/or Section 2.3 as elected. To the extent that a provision of this Interim Agreement is applicable to Adopter licensed only under Section 2.2 or Section 2.3, such applicability is specifically indicated in the relevant provision.
- 2.2 Evaluation Licenses. Upon execution of this Interim Agreement, and an election by Adopter to become an evaluation licensee on Exhibit A:
- 2.2.1 Evaluation Patent Licenses. Each Licensor grants, and shall cause its Affiliates, if any, that have the right to license any Necessary Claims to grant, to Adopter a nonexclusive, nontransferable, nonsublicensable, revocable, worldwide license under its or their respective Necessary Claims to use the Specifications and the Evaluation Keys to make and have made (including have designed and have developed by third parties under contract with Adopter for the sole account of Adopter) and use (i) Evaluation Licensed Components and Evaluation Licensed Products for the sole purpose of designing, developing, evaluating and testing such Evaluation Licensed Components and Evaluation Licensed Products and (ii) Evaluation Managed Copy Services for the sole purpose of

designing, developing, evaluating and testing, such Evaluation Managed Copy Services, provided that Adopter may not use such Evaluation Managed Copy Service in a production environment under this Interim Agreement.

- 2.2.1.1 Defensive Suspension. If Adopter or any of its Affiliates (whether identified pursuant to Section 11.11 or not) (i) initiates or becomes an adverse party to a legal action against a Licensor (or its Affiliate(s)) for patent infringement involving an Evaluation Licensed Component, Evaluation Licensed Product, Licensed Component, Robust Inactive Product or Licensed Product or Evaluation Managed Copy Service or Managed Copy Service based on a Necessary Claim or a Relatively Necessary Claim of such Adopter or its Affiliate or (ii) breaches Section 2.6.5, such Licensor alone or with some or all of its Affiliates, at Licensor's option, may suspend its or their licenses under this Section 2.2 with respect to Adopter and its Affiliates, provided that if such cause of action relates to a Relatively Necessary Claim, such Licensor and its Affiliates must first indicate in writing their willingness to license their Relatively Necessary Claims to Adopter and its Affiliates under reasonable and non-discriminatory license terms for any Licensed Components or Licensed Products or Robust Inactive Products distributed by such Adopter or its Affiliates at or prior to the time of the legal action.
- 2.2.1.2 Evaluation Trade Secret and Copyright License. AACCS LA grants to Adopter a nonexclusive, nontransferable, nonsublicensable, revocable, worldwide license under those trade secrets and copyrights embodied in the Specifications and Evaluation Keys, to use, reproduce, modify, display, perform and distribute them internally (or to a subcontractor pursuant to Section 2.2.1.3) for the sole purpose of designing, developing, evaluating and testing (including having designed, developed, evaluated or tested by third parties under contract with Adopter for the sole account of the Adopter) Evaluation Licensed Components and Evaluation Licensed Products and Evaluation Managed Copy Services.
- 2.2.1.3 Defensive Suspension. If Adopter or any of its Affiliates (whether identified pursuant to Section 11.11 or not) (i) initiates or becomes an adverse party to a legal action against AACCS LA for infringement of Necessary Claims, Relatively Necessary Claims, copyrights or trade secrets of Adopter or its Affiliate with respect to the Specifications or (ii) breaches Section 2.6.5, AACCS LA, at AACCS LA's option, may suspend the foregoing license with respect to Adopter and its Affiliates.

- 2.2.1.4 **Have Made Activities.** Pursuant to the licenses set forth in Sections 2.2 and 2.2.1.1, Adopter may provide a subcontractor with AACS Technology or Specifications only under terms of a separate agreement, setting forth the terms of this Section 2.2 as it applies to subcontractors, the applicable confidentiality obligations and other terms relating to subcontractor use, such as but not limited to Section 2.4 and Section 2.5, for the subcontractor's design, development and testing of Evaluation Licensed Components or Evaluation Licensed Products or Evaluation Managed Copy Services solely for the account of Adopter, provided that Adopter and such contractor also have a binding agreement that provides for the assignment to Adopter of all Necessary Claims and Relatively Necessary Claims to inventions arising in the course of such design, development and testing. In the event an Adopter subcontractor receives Highly Confidential Information, such receipt shall be pursuant to Section 6.3.2. The have made licenses under Sections 2.2 and 2.2.1.1 above (i) shall only apply to Evaluation Licensed Products and Evaluation Licensed Components and Evaluation Managed Copy Services provided to Adopter by a subcontractor for which the designs were created for Adopter after execution of this Interim Agreement and an election by Adopter to become an evaluation licensee on Exhibit A; and (ii) shall not apply to any products or components in the form manufactured or marketed by said subcontractor or any methods used by said subcontractor prior to execution of this Agreement and an election by Adopter to become a production licensee on Exhibit A. If such subcontractor directly or indirectly initiates or becomes party to a legal action against a Licensor (or its Affiliate(s)) for patent infringement involving (i) an Evaluation Licensed Component, Evaluation Licensed Product, Licensed Component, Robust Inactive Product or Licensed Product or Evaluation Managed Copy Service based on a Necessary Claim or Relatively Necessary Claim of such subcontractor or (ii) any of the activities described in Section 2.6.5, such Licensor alone or with some or all of its Affiliates, at Licensor's option, may suspend Adopter's have made licenses with respect to such subcontractor. If such subcontractor initiates or becomes an adverse party to a legal action against AACS LA for infringement of copyrights or trade secrets of Adopter or its Affiliate with respect to the Specifications, or patent infringement involving a Necessary Claim or Relatively Necessary Claim of such subcontractor, AACS LA, at its option, may suspend Adopter's have made licenses from AACS LA with respect to such subcontractor.
- 2.2.1.5 **Distribution Limitations.** Except as set forth herein, Adopter may not sell, transfer, distribute or otherwise dispose of Evaluation Licensed Components or Evaluation Licensed

Products to any third party (except a subcontractor as set forth in Section 2.2.1.3 or except as otherwise approved by AACS LA), without making an election on Exhibit A to obtain a production license as set forth in Section 2.3, below. Adopter may not, under this Interim Agreement, sell, transfer, distribute or otherwise dispose of Evaluation Managed Copy Services to any third party (except a subcontractor as set forth in Section 2.2.1.3).

2.3 Production Licenses. Upon execution of this Interim Agreement, and an election by Adopter to become a production licensee on Exhibit A:

2.3.1 Interim Production Patent Licenses. Each Licensor grants, and shall cause its Affiliates, if any, that have the right to license any Necessary Claims to grant, to Adopter a nonexclusive, nontransferable, nonsublicensable, revocable worldwide license under its or their respective Necessary Claims to use the Specifications and AACS Keys to make, have made (under contract with Adopter pursuant to Adopter's design and for the sole account of Adopter, subject to Sections 6.2.2 and 6.3.2) use, offer to sell, sell and import, Licensed Components, Robust Inactive Products and Licensed Products, provided however, that Licensed Components shall not be offered for sale, sold, distributed or otherwise transferred other than (i) in a manner consistent with Section 2.3.4; or (ii) to Fellow Adopters for incorporation into Licensed Products; or (iii) to Authorized Resellers to be identified by AACS LA pursuant to Section 6.8 solely for resale and/or redistribution in accordance with the terms and conditions of the Reseller Agreement; or (iv) to an end user in the course of a Periodic Update.

2.3.1.1 Defensive Suspension. If Adopter or its Affiliate (i) initiates or becomes an adverse party to a legal action against a Licensor (or its Affiliate(s)) for patent infringement involving an Evaluation Licensed Component, Evaluation Licensed Product, Licensed Component, Robust Inactive Product or Licensed Product or Evaluation Managed Copy Service or Managed Copy Service based on a Necessary Claim or a Relatively Necessary Claim of such Adopter or its Affiliate, or (ii) such Licensor alone or with some or all of its Affiliates breaches Section 2.6.5, Licensor, at its option, may suspend its or their license and covenant under this Section 2.3.1 with respect to such Adopter and its Affiliates, provided that if such cause of action relates to a Relatively Necessary Claim, such Licensor and its Affiliates must first indicate in writing their willingness to license their Relatively Necessary Claims to such Adopter and its Affiliates under reasonable and non-discriminatory license terms for any Licensed Components, Robust Inactive Products or Licensed Products distributed by such Adopter or its Affiliates at or prior to the time of the legal action.

- 2.3.1.2 Limited Non Assertion by Licensors Against Adopter. Each Licensor hereby covenants not to assert its Necessary Claims, and to cause its Affiliates, if any, that have the right to assert any Necessary Claims not to assert such Necessary Claims, against Adopter for the use of the Specifications and AACS Keys to make, have made (under contract with Adopter pursuant to Adopter's design and for the sole account of Adopter, subject to Sections 6.2.2 and 6.3.2) use, offer to sell, sell and import, products that would be Licensed Products but for a failure to comply with the Compliance Rules, unless and until this Agreement is terminated by AACS LA pursuant to Section 7.1.3. Notwithstanding the foregoing, the Licensors may suspend the foregoing non-assertion covenant in the circumstances set forth in the defensive suspension provisions of Sections 2.2.1.1, 2.3.1.1 and 2.3.3.
- 2.3.2 Interim Production Trade Secret and Copyright License. AACS LA grants to Adopter a nonexclusive, nontransferable, nonsublicensable, revocable, worldwide license under those trade secrets and copyrights embodied in the Specifications and AACS Keys to (i) to reproduce, modify, display and distribute the Specifications internally (or to a subcontractor pursuant to Section 2.3.3) and (ii) use, reproduce, modify, distribute, display, perform or otherwise transfer Licensed Products, Robust Inactive Products and/or Licensed Components; provided however, that Licensed Components shall not be offered for sale, sold, distributed or otherwise transferred other than (i) in a manner consistent with Section 2.3.4; or (ii) to Fellow Adopters for incorporation into Licensed Products; or (iii) to Authorized Resellers to be identified by AACS LA pursuant to Section 6.8 solely for resale and/or redistribution in accordance with the terms and conditions of the Reseller Agreement; or (iv) to an end user in the course of a Periodic Update.
- 2.3.2.1 Defensive Suspension. If Adopter or its Affiliate (i) initiates or becomes an adverse party to a legal action against AACS LA for patent infringement involving a Necessary Claim or Relatively Necessary Claim or infringement of copyrights or trade secrets of Adopter or its Affiliate contained in the Specifications or (ii) breaches Section 2.6.5, AACS LA, at AACS LA's option, may suspend the foregoing license with respect to such Adopter and its Affiliates.
- 2.3.3 Have Made Activities. The right of Adopter under Sections 2.3.1 and 2.3.2 to have made Licensed Components and Licensed Products and Robust Inactive Products (i) shall only apply to Licensed Components and Licensed Products and Robust Inactive Products made for Adopter after this Interim Agreement is entered into and Adopter makes an election to become a production licensee on Exhibit A, and for which the designs were created by Adopter (either solely or jointly

with one or more third parties) or for the licensed Adopter; and (ii) shall not apply to any products or components in the form manufactured or marketed by said have made manufacturer or any methods used by said have made manufacturer prior to Adopter's furnishing of said designs. If a have made manufacturer directly or indirectly initiates or becomes party to a legal action against a Licensor (or its Affiliate(s)) for patent infringement involving a Necessary Claim or Relatively Necessary Claim of such manufacturer, such Licensor alone or with some or all of its Affiliates, at Licensor's option, may suspend Adopter's have made licenses with respect to such manufacturer under this Section 2.3. If such have made manufacturer initiates or becomes an adverse party to a legal action against AACS LA for copyright or trade secret infringement or patent infringement involving an Evaluation Licensed Component, Evaluation Licensed Product, Licensed Component, Robust Inactive Product or Licensed Product or Evaluation Managed Copy Service or Managed Copy Service based on a Necessary Claim or Relatively Necessary Claim of such subcontractor, AACS LA, at its option, may suspend Adopter's have made licenses from AACS LA with respect to such subcontractor.

2.3.4 Distribution of Robust Inactive Products. Notwithstanding anything in Sections 2.3.1 and 2.3.2 to the contrary, Licensed Components that are Robust Inactive Products may be furnished by Adopter to persons other than Fellow Adopters or Authorized Resellers.

2.4 Scope of Use. The licenses under Sections 2.2 and 2.3 and the non-assertion covenants under Sections 2.6.1 and 2.6.3 shall extend only to the use of the Evaluation Keys, AACS Keys and Specifications for the protection of Digital Entertainment Content in compliance with the Compliance Rules, only in Evaluation Licensed Products, Evaluation Licensed Components, Licensed Components, Robust Inactive Products and/or Licensed Products and/or Evaluation Managed Copy Services, in each case which implement the AACS Technology and Specifications solely to the extent disclosed with particularity in the Specifications, and, in the case of such non-assertion covenants, in Managed Copy Services solely to the extent disclosed with particularity in the Specifications; and exclude the use of AACS Technology and/or Specifications in any portion of any product and any combinations thereof, or for any purpose or function that is not required by the mandatory portions of the Specifications. For the avoidance of doubt, neither the licenses granted under Sections 2.2 and 2.3 nor the non-assertion covenants under Sections 2.6.1 and 2.6.3 extend to any Digital Entertainment Content contained in a Licensed Content Product. For purposes of this Interim Agreement, the "mandatory portions of the Specifications" include such portions of the Specifications that are required to be implemented for any particular feature or functionality described in the Specifications.

2.5 Proper Use. Adopter shall use AACCS Technology, the Specifications or Confidential or Highly Confidential Information (collectively, the “Licensed Materials”) only in accordance with the terms of this Interim Agreement, and Adopter shall not use the Licensed Materials, or any mentally retained recollections of the Licensed Materials to (or assist others to) design, produce, sell or otherwise transfer or distribute devices or software, where such devices or software are designed to circumvent the requirements or effectiveness of the Specifications or Compliance Rules. For purposes of clarity, if a device or software is not designed to circumvent the requirements or effectiveness of the Specifications or Compliance Rules, and contains a Robust Inactive Product, Licensed Component or Licensed Product when shipped, and it subsequently becomes apparent that the device or software may be used to circumvent the requirements or effectiveness of the Specification or Compliance Rules, the Robust Inactive Product, Licensed Component or Licensed Product contained in such device or software shall remain licensed under Section 2.3, subject to compliance with the provisions of Part 2, Section 2.7.8 of the Compliance Rules for Audiovisual Works on Optical Disks, and all other applicable requirements of the Agreement.

2.6 Non Assertion Covenants.

2.6.1 Non Assertion Against Fellow Adopters. From and after the Production Election Date, Adopter hereby covenants that it shall not assert or maintain, and shall cause each of its Affiliates not to assert or maintain, any claim of infringement of its, or their respective, Necessary Claims or its, or their respective, copyrights and trade secrets in the Specifications, AACCS Keys and Evaluation Keys (i) against Fellow Adopters, and any entities with which a Fellow Adopter contracts to make or design products in accordance with such Fellow Adopter’s Adopter Agreement solely with respect to such entities’ activities under such contract with a Fellow Adopter, for reproducing, modifying, displaying, performing, distributing internally, making, having made (solely with respect to Fellow Adopters), having designed (solely with respect to Fellow Adopters) and using Evaluation Licensed Components and Evaluation Licensed Products and Evaluation Managed Copy Services for the sole purpose of designing, developing, evaluating and testing (including having designed, developed, evaluated or tested by third parties under contract to such Fellow Adopters for the sole account of such Fellow Adopters) such Evaluation Licensed Products and Evaluation Licensed Components and Evaluation Managed Copy Services; (ii) against Fellow Adopters and any entities with which a Fellow Adopter contracts to make or design products in accordance with Fellow Adopter’s Adopter Agreement for reproducing, modifying, distributing, displaying, performing, or otherwise transferring, making, having made (solely with respect to Fellow Adopters), having designed (solely with respect to Fellow Adopters) using,

offering to sell, selling, and importing Licensed Components, Robust Inactive Products and Licensed Products, (iii) against Fellow Adopters' direct and indirect vendors, resellers, distributors, or other persons or entities in the chain of distribution for distributing, displaying, performing or otherwise transferring, using, offering to sell, selling and importing Licensed Components, Robust Inactive Products and Licensed Products; or (iv) end users for the using of Licensed Components, Robust Inactive Products and Licensed Products, provided however, that such covenant not to assert shall, in the case of Licensed Components, extend only to Licensed Components offered for sale, sold, distributed or otherwise transferred (x) in a manner consistent with Section 2.3.4; or (y) to Fellow Adopters for incorporation into Licensed Products; or (z) to Authorized Resellers to be identified by AACS LA pursuant to Section 6.8 solely for resale and/or redistribution in accordance with the terms and conditions of the Reseller Agreement; or (iv) to an end user in the course of a Periodic Update. Notwithstanding the foregoing, if Adopter is also a Licensor, this Section 2.6.1 shall not apply unless and until Licensor and/or its Affiliate withdraws from the ACMS LA Founders Agreement, effective February 20, 2004.

2.6.2 Defensive Suspension. If a Fellow Adopter or its Affiliate initiates or becomes an adverse party to a legal action against Adopter (or its Affiliate(s)) for patent infringement involving an Evaluation Licensed Component, Evaluation Licensed Product, Licensed Component, Robust Inactive Product or Licensed Product or Evaluation Managed Copy Service or Managed Copy Service based on a Necessary Claim of such Fellow Adopter or its respective Affiliate, Adopter alone or with some or all of its Affiliates, at Adopter's option, may suspend its or their covenant not to assert under Section 2.6.1 with respect to such Fellow Adopter and its Affiliates. If a have made manufacturer directly or indirectly initiates or becomes party to a legal action against Adopter or its Affiliate for patent infringement involving a Necessary Claim of such manufacturer, Adopter alone or with some or all of its Affiliates, at Adopter's option, may suspend its or their covenant not to assert under Section 2.6.1 with respect to such have made manufacturer.

2.6.3 Non Assertion Against Content Participants. From and after the Production Election Date, Adopter hereby covenants that it shall not assert or maintain, and shall cause each of its Affiliates not to assert or maintain, (I) any claim of infringement of its, or their, respective Necessary Claims (a) against Content Participants or any entities with which a Content Participant contracts to make or design Licensed Content Products in accordance with such Content Participant's Content Participant Agreement ("Have Made Entities") solely with respect to such entities' activities under such contract with a Content Participant for (i) making (only to the extent of duplicating of Licensed Content Products on optical media and having duplicated

(only with respect to Content Participants) on optical media, for the sole account of a Content Participant), using, selling, offering to sell and importing Licensed Content Products; or (ii) making, having made (only with respect to Content Participant) (including having designed and having developed by third parties for the sole account of Content Participant) and using Evaluation Licensed Content Products; (b) against a Content Participant's direct and indirect vendors, resellers, distributors, or other persons or entities in the chain of distribution for distributing, displaying, performing or otherwise transferring, using, offering to sell, selling and importing Licensed Content Products; or (c) against end users for the using of Licensed Content Products or (II) any claim of infringement of those trade secrets and copyrights embodied in the Specifications, AACCS Keys and Evaluation Keys against Content Participants for (i) using, reproducing, modifying, displaying, performing or distributing them internally for the sole purpose of designing, developing, evaluating and testing Evaluation Licensed Content Products; (ii) using, reproducing, modifying or displaying the Specifications internally; or (iii) using, reproducing, modifying, displaying, performing or otherwise transferring Licensed Content Products. If a Content Participant or its Affiliate initiates or becomes an adverse party to a legal action against Adopter (or its Affiliate(s)) for patent infringement involving an Evaluation Licensed Component, Evaluation Licensed Product, Licensed Component, Robust Inactive Product, Evaluation Managed Copy Service, Managed Copy Service or Licensed Product based on a Necessary Claim of such Content Participant or its Affiliate, Adopter alone or with some or all of its Affiliates, at Adopter's option, may suspend its or their covenant not to assert under this Section 2.6.3 with respect to such Content Participant and its Affiliates. If a Have Made Entity directly or indirectly initiates or becomes party to a legal action against Adopter or its Affiliate for patent infringement involving a Necessary Claim of such entity, Adopter alone or with some or all of its Affiliates, at Adopter's option, may suspend its or their covenant not to assert under this section with respect to such Have Made Entity. Notwithstanding the foregoing, if Adopter is also a Licensor, this Section 2.6.3 shall not apply unless and until Licensor and/or its Affiliate withdraws from the ACMS LA Founders Agreement, effective February 20, 2004.

- 2.6.4 Acceptance of Non Assertion Covenants. Adopter hereby accepts Fellow Adopters' and Content Participants', agreement on behalf of themselves and their Affiliates not to assert or maintain any claim of infringement under provisions equivalent to Sections 2.6.1 and 2.6.3 in their respective Adopter Agreements and Content Participant Agreements. This section applies whether another entity has become a Fellow Adopter or Content Participant before or after Adopter signs this Interim Agreement.

2.6.5 Non Assertion Against Licensors and AACCS LA. Adopter hereby covenants not to assert or maintain, and shall cause each of its Affiliates not to assert or maintain, against Licensors or AACCS LA and Affiliates thereof any claim of infringement under Adopter's or its Affiliates' patents, patent applications, trade secrets or copyrights for the operation of the key generation facility and the provision of Evaluation Keys, AACCS Keys, the operation of a service to make available offers for or authorize Managed Copies on behalf of Content Participants and Content Providers, and other services necessary to the administration of the Approved Licenses and the distribution and licensing of the Specifications and AACCS Technology pursuant to such Approved Licenses.

2.7 Affiliates. Adopter represents that it has and covenants that it will have the authority to bind its Affiliates to the terms and conditions of this Interim Agreement.

3. ADDITIONAL ADOPTER REQUIREMENTS

3.1 Certification Required. AACCS LA shall provide notice promptly to Adopter of the anticipated commencement date of Compliance Testing by an Authorized Certification Entity. Adopter shall be required to commence Compliance Testing, including for then-currently shipping product models and all future models, thirty (30) days after receiving notice from AACCS LA of the actual date that an Authorized Certification Entity will be available for Compliance Testing (such required date, the "Certification Requirement Date"). Adopter may continue to ship models that were first shipped prior to the Certification Requirement Date, provided that if the Certification Entity notifies Adopter in writing that any such model has failed the Compliance Testing, Adopter may seek arbitration in a manner consistent with Section 3.1.4, and if Adopter does not seek or loses such arbitration, shall promptly cease shipping such model, or cease activating Robust Inactive Products through a Periodic Update to become such model until it passes Compliance Testing in accordance with the procedures set forth below.

Except as otherwise provided above, Adopter may not, after the Certification Requirement Date, sell or distribute a Licensed Product to the public, or cause a Licensed Product to be sold or distributed to the public, unless and until such Licensed Product is an Acknowledged Product or is a Licensed Content Product. The procedures for obtaining an Acknowledgement of Compliance Testing shall be made available to Fellow Adopters by AACCS LA.

3.1.1 Subject to Section 3.1.2, Compliance Testing shall be performed by an Authorized Certification Entity, either at a test facility designated by the Authorized Certification Entity or at the Adopter's facility. A

completed Certification Questionnaire shall be submitted to the Authorized Certification Entity at the time of Compliance Testing.

- 3.1.2 Adopter may, at its option, perform its own Compliance Testing on a Test Unit for those Test Criteria for which it is Self-Certification Eligible. Adopter shall submit the results of such Compliance Testing, along with its completed Certification Questionnaire, to the Authorized Certification Entity for confirmation, completion of Certification Testing for any remaining Test Criteria for which Adopter has not done its own Certification Testing, and issuance of an Acknowledgement of Compliance Testing if all applicable requirements are met.
 - 3.1.2.1 The Limited Safe Harbor provisions of Section 3.3 shall not apply to those aspects of an Acknowledged Product that are the subject of the Test Criteria for which Adopter has performed its own Compliance Testing in reliance on Section 3.1.2, but shall apply to those aspects of an Acknowledged Product that are the subject of the Test Criteria (if any) performed by the Authorized Certification Entity.
 - 3.1.2.2 If the results of Compliance Testing or the completed Certification Questionnaire submitted pursuant to this Section 3.1.2 are discovered to be materially inaccurate, Adopter shall no longer be Self-Certification Eligible.
 - 3.1.2.3 If Adopter is Self-Certification Eligible with respect to all Test Criteria applicable to a given Test Unit except for a new Test Criteria that has become applicable pursuant to clause 3.2.3(iii), then Adopter must submit its Test Unit to an Authorized Certification Entity for testing under such new Test Criteria (an “Exception Event”) unless Adopter has had a prior Exception Event within the last eighteen (18) months, in which case it shall be deemed Self-Certification Eligible as to such new Test Criteria for such Test Unit as well.
- 3.1.3 Upon successful completion of Compliance Testing and the Certification Questionnaire with respect to a particular Test Unit under Section 3.1.1 or 3.1.2, the Authorized Certification Entity shall issue an Acknowledgement of Compliance Testing to Adopter, and provide a copy of such Acknowledgement of Compliance Testing to AACS LA.
 - 3.1.3.1 If an Acknowledgement of Compliance Testing is issued in error, due to the error of a third-party Authorized Certification Entity, and the Test Unit does not meet the Compliance Rule(s) to which the erroneously applied Test Criteria relates, AACS LA shall give Adopter written notice of the error. Adopter shall have a commercially reasonable period to submit for certification, pursuant to Section 3.1.1, a Test Unit for each of

its products affected by the error, provided that such Test Unit(s) need only be retested for those Test Criteria affected by the error. Until such time has expired, the error shall not affect the validity of the previously received Acknowledgement of Compliance Testing, but thereafter AACS may rescind it.

3.1.3.1.1 Instances of a product distributed prior to receipt of such notice, in reliance on an Acknowledgement of Compliance Testing issued due to an error of a third party Authorized Certification entity, shall not lose the benefit of the Limited Safe Harbor of Section 3.3.

3.1.3.1.2 Additional instances of such product distributed after receipt of such notice but prior to the expiration of such commercially reasonable re-testing period shall not lose the benefit of the Limited Safe Harbor of Section 3.3, provided that Adopter takes commercially reasonable steps, within a commercially reasonable time after receiving such notice, to correct, or mitigate in part if not commercially reasonable to correct in full, a failure to meet the Compliance Rules in such products. Adopter may, at its option, consult with AACS LA as to what time frames for retesting and what steps, if any, are commercially reasonable within the meaning of this Section 3.1.3.1. If AACS LA, in its sole discretion, chooses following such consultation to provide Adopter with written notice confirming what AACS LA believes is commercially reasonable under the circumstances, and Adopter acts in conformance with such notice, then Adopter shall remain eligible for the Limited Safe Harbor prior to the expiration of the re-testing period and such determination by AACS LA shall be binding on all Third Party Beneficiaries. In the event that Adopter does not act in conformance with such notice, AACS LA and Third Party Beneficiaries retain the right to invoke remedies otherwise available to the extent that Adopter does not remain eligible for the Limited Safe Harbor, provided however that such notice shall not be deemed to be conclusive as to what is commercially reasonable within the meaning of this Section 3.1.3.1.

3.1.3.2 AACS LA may rescind an Acknowledgement of Compliance Testing if material misrepresentations were made in responding to the Certification Questionnaire.

3.1.3.3 An Acknowledgement of Compliance Testing, once issued, may not be rescinded except pursuant to Sections 3.1.3.1 or 3.1.3.2.

3.1.4 If an Approved Certification Entity is unable to issue an Acknowledgement of Certification Testing for a particular Test Unit under Sections 3.1.1 or 3.1.2, it shall provide Adopter with written notice identifying which Test Criteria and/or Certification Criteria Questionnaire requirements were not met. Following such notice, Adopter may make a resubmission under Sections 3.1.1 or 3.1.2. Alternatively, Adopter may, within thirty (30) days of such notice (or such a notice following re-submission), initiate an arbitration in accordance with the provisions of Section 3.1.4.1 by giving AACS LA written notice of its demand for arbitration and setting forth a brief statement of its grounds for contesting the conclusion of the Approved Certification Entity. In such arbitration, the parties shall be AACS LA and Adopter and Adopter shall bear the burden of proof of

showing that its Test Unit meets the applicable Test Criteria and that its Certification Criteria Questionnaire responses meet AACCS LA's criteria for issuance of an Acknowledgement of Certification Testing.

- 3.1.4.1 Any arbitration pursuant to this Section 3.1.4 shall be conducted in accordance with the following procedures:
- (a) There shall be a sole arbitrator who shall be selected by the American Arbitration Association from its National Panel of Commercial Arbitrators.
 - (b) The arbitration shall be conducted in New York, N.Y. in accordance with the International Arbitration Rules of the American Arbitration Association. The arbitration shall be conducted in English.
 - (c) The arbitrator may conduct the arbitration in such manner as it shall deem appropriate, including the imposition of time limits that it considers reasonable for each phase of the proceeding, but with due regard for the need to act, and make a final determination, in an expeditious manner. The arbitrator shall set a schedule to endeavor to complete the arbitration within one (1) month.
 - (d) The arbitrator shall permit and facilitate such limited discovery as he or she shall determine is reasonably necessary, taking into account the needs of the parties and the desirability of making discovery as expeditious and cost-effective as possible.
 - (e) The parties and the arbitrator shall treat the arbitration proceedings, any related discovery, documents and other evidence submitted to, and the decision of, the arbitrator as Confidential Information; provided, however, that AACCS LA shall be entitled to disclose information from such arbitration to the arbitrator in any subsequent arbitration under this Section 3.1.4.1 when such information is relevant to the consistent resolution of common issues in such subsequent arbitration. In addition, and as necessary, the arbitrator may issue orders to protect the confidentiality of proprietary information, trade secrets and other sensitive information disclosed in discovery or otherwise during the arbitration.
 - (f) The arbitrator is empowered solely to determine whether Adopter's Test Unit meets the applicable Test Criteria and its Certification Criteria Questionnaire responses meet AACCS LA's criteria for issuance of an

Acknowledgement of Certification Testing. If the arbitrator finds affirmatively for Adopter, Adopter's Test Unit shall become an Acknowledged Product. Any such determination shall be final and binding on the parties, except that whether the arbitrator exceeded his or her authority shall be fully reviewable by a court of competent jurisdiction. The parties agree that judgment upon any decision may be entered in a court of competent jurisdiction.

- (g) The arbitrator shall be compensated at his or her hourly rate, determined at the time of appointment, for all time spent in connection with the arbitration, and shall be reimbursed for reasonable travel and other expenses. The arbitrator shall determine all costs of the arbitration, including his or her fees and expenses, the costs of expert advice and other assistance engaged by the arbitrator, the cost of a transcript and the costs of meeting and hearing facilities. The arbitrator shall assess the losing party or parties the costs of the arbitration set forth in this subsection (g).

3.2 Test Criteria and Certification Questionnaire. AACS LA or an Authorized Certification Entity shall make the Certification Questionnaire and Test Criteria available to Adopter upon request.

- 3.2.1 The tests required by the Test Criteria shall only include objective, reproducible pass/fail tests that are designed to test implementation of aspects of the Compliance Rules in a Test Unit. The Test Criteria shall be sufficiently detailed to allow Adopters to perform all required tests without the assistance of a third party; provided that nothing in this subsection 3.2.1 shall limit any obligation that exists under Section 3.1.1.
- 3.2.2 The Certification Questionnaire shall consist of a detailed and meaningful questionnaire requiring only "yes" or "no" responses, and shall be designed to elicit information concerning implementation of aspects of the Compliance Rules and Robustness Rules in a Test Unit.
- 3.2.3 AACS shall make changes to the Test Criteria or to the Certification Questionnaire only (i) to correct errors in existing Test Criteria or existing questions in the Certification Questionnaire that cause the Test Criteria to fail to detect non-compliance with a Compliance Rule; (ii) to reflect changes to the Specification(s) or Compliance Rule(s); (iii) in any case not falling within (i) or (ii), only following notice to all Adopters, Content Participants and Content Providers and a comment period of 30 days. AACS shall provide Adopter with advance notice of any changes (including changes made under (iii) following conclusion of the notice and comment period) made to the

Test Criteria or to the Certification Questionnaire, and such changes shall take effect 90 days following notice from AACCS LA, unless such change would require Adopter to make material changes to its product design or manufacturing processes, in which case such changes will take effect following a commercially reasonable time for Adopter to make such changes, not to exceed eighteen (18) months or, where the changes are the result of changes to the underlying Specification or Compliance Rule provisions, on the date on which Adopter is required to comply with such changes to the underlying Specification or Compliance Rule provisions under Section 4.1, whichever is later.

- 3.2.4 Any costs associated with certification pursuant to this Section 3 and to certification under other Approved Licenses shall be fairly and reasonably allocated among the participants (other than AACCS LA, Licensors, or Authorized Testing Facilities) through administrative and test fees.
- 3.3 Limited Safe Harbor. Subject to Sections 3.1.2.1 and 3.1.3.1.2 , with respect to each Acknowledged Product, no injunctive relief or damages pursuant to Section 9 of this Interim Agreement shall be available to AACCS LA or any Third Party Beneficiary with respect to, and to the extent of, those aspects of such Acknowledged Product that are the subject of the Test Criteria pursuant to which the corresponding Acknowledgement of Compliance Testing has been issued.
- 3.4 Authorized Certification Entities. Any entity, including Adopter, may become an Authorized Certification Entity by undergoing review and approval according to the criteria established by AACCS LA for approval of all Authorized Certification Entities.
 - 3.4.1 If Adopter becomes certified as an Authorized Certification Entity, Adopter may issue an Acknowledgment of Compliance Testing with respect to its own Test Unit and may benefit from the limited safe harbor provision of Section 3.3, provided that Adopter submits the results of such Compliance Testing, along with its completed Certification Questionnaire, to AACCS LA.
 - 3.4.2 Adopter acknowledges that, for so long as it may be designated as an Authorized Certification Entity, AACCS LA shall have the right to periodically audit Adopter's Acknowledgments of Compliance Testing for conformance with the Test Criteria and Certification Questionnaire, and may revoke Adopter's status as an Authorized Certification Entity if it finds material inaccuracies.
- 3.5 Watermark. Adopter acknowledges that AACCS LA anticipates including certain watermark screening obligations in the Final Adopter Agreement. Licensed Products manufactured or distributed under this Interim

Agreement shall not respond to the Consumer Mark or the Theatrical No Home Use Mark when the AACS Flag is set to indicate embedding in accordance with AACS LA defined criteria (as such terms are defined in the Compliance Rules) unless and until Adopter enters into a Final Adopter Agreement.

- 3.6 Managed Copy. Adopter acknowledges that AACS LA anticipates providing in the Final Adopter Agreement that Licensed Products made under the Final Adopter Agreement may make Managed Copies of certain content protected by the AACS Technology. Adopter acknowledges that the Compliance Rules prohibit Licensed Products made under this Interim Agreement from making a Managed Copy. Without limiting the foregoing, Licensed Products manufactured hereunder may incorporate Managed Copy technology in Licensed Products and Licensed Components made hereunder, provided that such Managed Copy functionality cannot be activated other than as expressly authorized under the Final Adopter Agreement. *[Note to Adopter: the timing under the Final Adopter Agreement of the right to make Managed Copies, and of requirements on Content Participants and Content Providers to offer Managed Copies, and on Fellow Adopters to implement response to the AACS Flag in the Audio Watermark (as such terms are defined in the Compliance Rules), may be inter-related.]*
- 3.7 Licensed Content Producers. To the extent Adopter is acting as a Licensed Content Producer pursuant to this Interim Agreement, Adopter shall not produce Licensed Content Products for a content distributor that is not listed on the AACS LA website as a Content Participant or Content Provider unless Adopter (i) receives an original copy of a Content Participant Agreement or Content Provider Agreement executed by such content distributor and (ii) sends such copy to AACS LA by trackable delivery means.

4. ADDITIONAL RIGHTS GRANTED TO ADOPTER.

- 4.1 Changes; Periodic Updates. The Specifications and the Compliance Rules may be amended under this Interim Agreement from time to time by AACS LA and the Licensors only in accordance with this Section 4.1. AACS LA and the Licensors shall not during the term of this Interim Agreement amend the Compliance Rules or the Specifications, except (i) to correct any errors or omissions to the Specifications or Compliance Rules; (ii) to make changes that would clarify, but not materially amend, alter or expand the Specifications or Compliance Rules; (iii) if deemed necessary by AACS LA to protect AACS Content, to de-authorize outputs under the Compliance Rules for the reasons set forth in the note to Table D1 of the Compliance Rules, or (iv) to create new Specifications (comparable to the AACS BD Book and the AACS HD DVD Book) to map or port the AACS

Technology to other optical media formats. AACS LA shall provide Fellow Adopters with thirty (30) days' notice of any changes to the Compliance Rules or the Specifications. Unless Adopter exercises its right to terminate this Interim Agreement in response to a change in a Specification as provided in Section 7.1.2.2, Adopter shall be required to comply with all amendments to the Compliance Rules or to the Specifications that do not require material modifications to Adopter's product design or manufacturing processes within ninety (90) days after expiration of the notice period or such longer period specified by AACS LA, provided that Adopter may continue to sell and distribute in the manner and for the time period set forth in Section 7 of this Interim Agreement Licensed Products and Licensed Components that Adopter can demonstrate were manufactured, in the ordinary course of its business, consistent with past practice, prior to ninety (90) days after expiration of the notice period or longer period specified by AACS LA (provided that such Licensed Components may be distributed only as permitted under Section 2.3.1). Adopter is encouraged to but shall not be required to comply with amendments to the Compliance Rules or to the Specifications that do require a material modification to Adopter's product design or manufacturing processes during the term of this Interim Agreement. For the avoidance of doubt, the requirements of this Section 4.1 shall not apply with respect to Licensed Components, Robust Inactive Products or Licensed Products that have been shipped as of the effective date of such amendment. Note to Adopter: The Final Adopter Agreement will include a process by which Fellow Adopters may propose changes to the Compliance Rules and Specifications under the Final Adopter Agreement.

- 4.1.1 In the case of Adopter whose Licensed Components, Robust Inactive Products or Licensed Products are Connected, the requirements of this Section 4.1 may be met by ensuring that the necessary changes to any unit or copy shipped after the effective date of a particular amendment are implemented through a Periodic Update before the AACS functions of Licensed Components, Robust Inactive Products or Licensed Products can be used for the first time, provided that such Periodic Update takes place no more than eight (8) years after the particular version or model of such Licensed Component, Robust Inactive Product or Licensed Product first was distributed. For the avoidance of doubt, such eight year limitation shall not apply in the case of an individual instance of a Licensed Components, Robust Inactive Products or Licensed Product that Adopter reasonably concludes is being reinstalled on the same hardware device on which it was previously first activated before the end of the eight year period, but shall apply in the case of such individual instance being installed on a different hardware device after the end of the eight year period.

- 4.1.1.1 Subsequent Periodic Updates to an individual unit of a Connected Licensed Product (or a Connected product that would be a Licensed Product but for a breach of the Specifications or Compliance Rules) that has already had its AACS functions activated shall comply with Section 4.1.1.2, but shall not have to comply with changes to the Specifications or Compliance Rules with an effective date after the date of such first activation unless, following such Periodic Update, the Licensed Product would (i) be the same as a Licensed Product that is separately marketed by Adopter under a new product name or a higher numerical designation to the left of the decimal point (*e.g.*, the change from Version 1.0 to Version 2.0, but not to Version 1.9), and (ii) either enables AACS protection or use of an AACS function that would not have been protectable with AACS Technology or usable by the Licensed Product prior to the Periodic Update, or performs the AACS functions by substantially different means and in a substantially different way than they were performed by the Licensed Product prior to the Periodic Update.
- 4.1.1.2 At any time that Adopter activates a unit or copy of a Licensed Product via a Periodic Update or replaces a Device Key of a unit or copy of a Licensed Product via a Periodic Update, Adopter shall issue one or more Periodic Updates to such unit or copy as necessary so as to cause the resulting Licensed Product to include the changes that would have resulted if the copy or unit had received all sequential Periodic Updates designed for, and capable of properly functioning with, such copy or unit since the time the copy or unit was first distributed, provided, that if Adopter has, at any time, made available two or more versions of any such sequential Periodic Updates on different business terms (*e.g.*, a free version and a fee-based version), the foregoing requirement shall apply with respect to the version of the Periodic Update(s) selected by the user of such unit or copy.

5. FEES

- 5.1 Evaluation Administration Fees. Within thirty (30) days of the Evaluation Election Date, and within thirty (30) days of each subsequent anniversary thereof, Adopter shall pay Evaluation Administration Fees as set forth in the Fee Schedule attached as Exhibit B. Adopter shall not be entitled to any refund thereof for any reason, provided that a pro-rated portion of the latest Evaluation Administration Fees applicable and paid under this Interim Agreement shall be credited against the first Evaluation

Administration Fee for any Final Adopter Agreement entered into by Adopter. Adopter when ordering Evaluation Keys shall pay order fulfillment fees as set forth in the Fee Schedule attached as Exhibit B.

5.2 Production Administration Fees. Within thirty (30) days of the Production Election Date, and within thirty (30) days of each subsequent anniversary thereof, Adopter shall pay Administration Fees as set forth in the Fee Schedule attached as Exhibit B. Adopter shall not be entitled to any refund thereof for any reason, provided that a pro-rated portion of the latest Administration Fee applicable and paid shall be credited against the first Annual Administration Fee for any Final Adopter Agreement entered into by Adopter.

5.3 Key Fees. Adopter shall pay AACS LA on a per -unit or set annual fee basis for key generation fees as set forth in the Fee Schedule attached as Exhibit B. AACS LA will supply a written invoice for such charges upon receiving Adopter's order in the form specified by AACS LA, and Adopter agrees to pay such invoice prior to generation of the keys for such order. Adopter shall not be entitled to any refund thereof for any reason, provided that a pro-rated portion of the set annual fee basis for key generation fees shall be credited against the set annual fee basis for key generation fees for the first year under any Final Adopter Agreement entered into by Adopter. AACS LA shall have the right to audit Adopter's records for the sole purpose of determining the sufficiency of payments hereunder. Any such audit shall be conducted with commercially reasonable notice using commercially reasonable means. Adopter represents and covenants that prior to any key order, and to the extent that Adopter's product(s) in which the keys will be used would require a Format License, Adopter has signed and is in good standing under such Format License. For purposes of this Section 5.3, "Format License" shall mean a license agreement for one or more of the optical media formats to which the AACS Technology may be mapped or ported, pursuant to the Specifications (*e.g.*, the AACS BD Book or the AACS HD DVD Book) consistent with the provisions of this Interim Agreement.

6. CONFIDENTIALITY/EXPORT

6.1 Permitted Use. Adopter licensed under Sections 2.2 and/or 2.3 shall use Confidential Information including its tangible embodiments only in accordance with the terms of this Interim Agreement, and shall not use such information or any mentally-retained recollections thereof to circumvent the methods disclosed in Confidential Information or to circumvent any obligations under this Interim Agreement. Adopter shall use Highly Confidential Information including its tangible embodiments only in accordance with the terms of this Interim Agreement and shall not use such information or any mentally retained recollection thereof to

circumvent the methods disclosed in Highly Confidential Information or to circumvent any obligation under this Interim Agreement. Adopter may otherwise use and disclose in its business the increased or enhanced knowledge retained in the unaided memories (that is, without current use of the Confidential or Highly Confidential Information recorded in any tangible form) of its directors, employees, agents or contractors as a result of their exposure to the Confidential Information or Highly Confidential Information (a “Residual”). No recipient of Confidential Information or Highly Confidential Information shall: (i) intentionally memorize the Confidential Information or Highly Confidential Information so as to reduce it to an intangible form for the purpose of creating a Residual or using the same; or (ii) avoid its obligation to maintain the confidentiality of the Confidential Information or Highly Confidential Information merely by having a person commit such item to memory so as to reduce it to intangible form. No Party shall have any rights in any business endeavors of any other Party that may use such knowledge and experience nor any right to compensation related to any Party's use of such knowledge and experience.

6.2 Confidential Information. Adopter shall maintain the confidentiality of Confidential Information in the following manner:

- 6.2.1 Adopter shall employ procedures for safeguarding Confidential Information at least as rigorous as Adopter would employ for its own confidential information, but no less than a reasonable degree of care.
- 6.2.2 Adopter may disclose Confidential Information to (1) regular full-time and/or part-time employees (with the exception of short-term employees including by way of example and not of limitation employees such as interns, seasonal and temporary employees), and individuals retained as independent contractors who have a reasonable need to know such Confidential Information in order to allow Adopter to implement the AACS Technology in compliance with the Specification and who have executed a nondisclosure agreement sufficient to protect the Confidential Information in accordance with the terms of this Interim Agreement; (2) Fellow Adopters who are subject to a nondisclosure agreement sufficient to protect the Confidential Information in accordance with the terms of this Interim Agreement; (3) Adopter's attorneys, auditors or other agents who have a reasonable need to know the Confidential Information and who owe Adopter a duty of confidentiality sufficient to prevent the disclosure of such Confidential Information, or (4) third parties that have signed an Approved License having provisions for the protection of Confidential Information no less restrictive than those set forth in this Interim Agreement. Adopter may disclose Confidential Information to third parties pursuant to the have designed and have made rights provided under Sections 2.2 and 2.3, provided that the Adopter shall remain responsible for the

maintenance of the confidentiality of the Confidential Information provided to such third parties and shall execute a nondisclosure agreement with such third parties sufficient to protect the Confidential Information in accordance with the terms of this Interim Agreement.

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

- 6.3.1 Adopter shall employ procedures for safeguarding Highly Confidential Information at least as rigorous as the Adopter would employ for its own most highly confidential information, such procedures to include, at a minimum: (1) maintaining on the Adopter's premises a secure location in which any and all Highly Confidential Information shall be stored, where such a location may include electronic storage that is at least as secure with respect to the Highly Confidential Information as the AACS Technology is with respect to the protection of digital content; (2) that any Highly Confidential Information stored in such a location shall be accessible only by Authorized Recipients (as defined below); (3) that (x) where Highly Confidential Information is stored in a location that is physically secure, Authorized Recipients visiting such location shall sign in and out each time that they visit such location; and (y) where Highly Confidential Information is stored securely in an electronic form, Authorized Recipients having access to such Highly Confidential Information shall sign in and out each time that they have such access; and (4) 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 a form that is at least as secure with respect to the Highly Confidential Information as the AACS Technology is with respect to protection of digital content.
- 6.3.2 Adopter may disseminate Highly Confidential Information only to the strictest minimum possible number, consistent with the notification requirements below of regular full-time or part-time employees or individual independent contractors (with the exception of short-term employees including by way of example and not of limitation employees such as interns, seasonal and temporary employees) of Adopter: (1) who have an absolute need to know such Highly Confidential Information in order to enable Adopter to implement the AACS Technology in compliance with the Specification; (2) who are bound in writing by obligations of confidentiality sufficient to protect the Highly Confidential Information in accordance with the terms of this Interim Agreement; and (3) who, prior to the disclosure of such Highly Confidential Information, have: (x) been identified in writing by Adopter to AACS LA; and (y) read and execute the acknowledgment attached as Exhibit C hereto (the original of such executed acknowledgment to be sent to AACS LA) ("Authorized Recipients"). Adopter shall take reasonable steps to cause Authorized Recipients to abide by their obligations hereunder and shall use the

same efforts to enforce the confidentiality obligations of each Authorized Recipient during and after the termination of his/her employment as Adopter uses to enforce with respect to Adopter's own similarly confidential information, provided that Adopter shall not use less than reasonable efforts in such enforcement. Adopter shall make reasonable efforts to assist AACS LA in relation to any claim, action, suit, proceeding, or litigation with respect to the access of Adopter's former employee to information provided under this Section 6. Notwithstanding any contrary provision, Adopter shall not disseminate any Highly Confidential Information to more than three (3) Authorized Recipients per product category (e.g., pre-recorded media, recordable media, etc.) ("Key Recipients") unless Adopter has notified AACS LA in advance of its intention to increase the number of Key Recipients to an additional increment of up to three (3) such recipients. Adopter may make such notifications of additional increments of Key Recipients without limit, but in doing so shall abide by the terms of clauses (1), (2), and (3), above. Adopter may substitute another employee for a Key Recipient only in the event of death, permanent or long-term disability or resignation or termination of employment or contract of an existing Key Recipient or reassignment of an existing Key Recipient to a substantially different business unit that is not involved in the development, manufacture, or sale of products (in the product category Key Recipient was theretofore involved in) incorporating the AACS Technology. Adopter shall inform AACS LA in writing prior to the substitution or addition of any Key Recipient. Adopter may also disclose Highly Confidential Information to an employee of another Fellow Adopter, or of a Content Participant or Content Provider, where such other company is authorized to possess such Highly Confidential Information and where the recipient to whom disclosure is made is a Key Recipient for such other company. Prior to any disclosure pursuant to the preceding sentence, Adopter must assure itself that such other company is, in fact, authorized to possess the Highly Confidential Information to be disclosed, that the recipient to whom such disclosure is to be made is entitled to possess the Highly Confidential Information to be disclosed, and that the method to be used to disclose Highly Confidential Information is as secure as the methods used by AACS LA to disclose the same information to the Adopter. Adopter may rely on a written representation from such other company, attesting that such company is authorized to possess the Highly Confidential Information and that the recipient to whom the disclosure is to be made is entitled to possess the Highly Confidential Information disclosed, provided Adopter does not know or have reason to know that the other company or the recipient is not authorized to possess the Highly Confidential Information. Adopter may disclose Highly Confidential Information to third parties pursuant to the have designed and have made rights provided under Sections 2.2 and 2.3, provided that the Adopter shall remain responsible for maintaining the confidentiality of the Highly

Confidential Information provided to such third parties and provided that Adopter has executed a nondisclosure agreement with such third parties sufficient to protect the Highly Confidential Information in accordance with the terms of this Interim Agreement.

- 6.4 Copies of Highly Confidential Information. Adopter shall not make any copies of any document containing Highly Confidential Information except when required for use by different business units manufacturing Licensed Components, Robust Inactive Products or Licensed Products in the same product category but located in different facilities. In the event such information is required for use by such diversely located business units, Adopter may make one (1) copy of such documents for each affected business unit and each of the requirements and obligations of this Article will apply individually to each such business unit. Adopter shall notify AACS LA in writing if such additional copies are made. Adopter may request that AACS LA provide Adopter with additional copies of Highly Confidential documents. AACS LA may, in its sole discretion, fulfill any such request, provided that AACS LA shall not unreasonably refuse to provide requested additional copies.
- 6.5 Contact Person and Provision of AACS LA Information. Adopter shall designate, a single Authorized Recipient who shall receive all Confidential Information and/or Highly Confidential Information (the “Adopter Contact”) disclosed by AACS LA and may designate a single alternative Authorized Recipient (“Alternate Adopter Contact”) who shall be entitled to receive such Confidential Information and/or Highly Confidential Information in the event that Adopter Contact is absent at the time such information is to be provided. Prior to the provision of any Confidential Information and/or Highly Confidential Information to the Adopter Contact or Alternate Adopter Contact, such Adopter Contact or Alternate Adopter Contact shall have complied with all of his/her obligations under Sections 6.2 and 6.3. Additional or substitute Adopter contacts may be authorized by AACS LA, subject to additional fees and security requirements.
- 6.6 Notification of Unauthorized Use or Disclosure. Adopter shall notify AACS LA in writing promptly upon discovery of any unauthorized use or disclosure of Confidential Information and/or Highly Confidential Information, and will cooperate with AACS LA and the Licensors in every reasonable way to regain possession of such information and to prevent its further unauthorized use or disclosure.
- 6.7 Disclosure of Adopter Status. AACS LA shall have the right to disclose to third parties the fact that Adopter has signed this Interim Adopters Agreement and obtained a license to implement the AACS Technology, and may make available a list of such Fellow Adopters at least once per quarter which list shall specifically identify which listed Fellow Adopters

have elected to become production licensees pursuant to Section 11.11 and which are Licensed Content Producers, provided, however, that if Adopter makes a written request to AACS LA at the time of signing this Adopters Agreement, AACS LA shall maintain the fact that Adopter has obtained a license to implement the AACS Technology confidential, subject to exceptions and obligations equivalent to those set forth in Sections 6.9 and 6.10 until such time that Adopter has publicly announced that it intends to manufacture a Licensed Product or Licensed Component or has begun marketing such a product or two years after the effective date of this Interim Agreement, whichever is earlier. In the event that Adopter exercises this option, Adopter shall promptly notify AACS LA when it has publicly announced its product plans or begins marketing a Licensed Product or Licensed Component. Notwithstanding the foregoing, AACS LA may confirm the fact that Adopter has signed an Adopters Agreement to any party to an Approved License with AACS LA that is seeking to enforce an obligation of Adopter under this Interim Agreement following a written refusal to meet such obligation by Adopter.

- 6.8 Disclosure of Authorized Resellers. AACS LA shall publish a list at least once per quarter identifying Authorized Resellers eligible to receive Licensed Components. Adopter licensed under Section 2.3 shall check this list and/or consult with AACS LA to determine whether sale or other distribution of Licensed Components pursuant to Sections 2.3.1 and 2.3.2 or 2.3.4 of this Interim Agreement is authorized prior to each sale or distribution of Licensed Components to any entity.
- 6.9 Disclosure Required By Law. In the event Adopter is required by law, regulation or order of a court or other authority of competent jurisdiction to disclose Confidential Information and/or Highly Confidential Information, (1) Adopter shall take reasonable steps to notify the AACS LA prior to disclosure, or (2) where notice to the AACS LA prior to disclosure is not reasonably possible, Adopter shall take reasonable steps to challenge or restrict the scope of such required disclosure and notify the AACS LA as soon as possible thereafter. In either case, Adopter shall take reasonable steps to seek to maintain the confidentiality of the information required to be disclosed and to cooperate with AACS LA in any effort undertaken by AACS LA to challenge the scope of such required disclosure, or to obtain a protective order requiring that Confidential or Highly Confidential information so disclosed be used only for the purposes for which the order was issued.
- 6.10 Confidentiality Exceptions. The non-use and confidentiality restrictions shall not apply to Highly Confidential Information and/or Confidential Information which Adopter can demonstrate: (1) is now, or hereafter becomes, through no act or failure to act on the part of the Adopter or its representatives, generally known or available, except that non-use and

confidentiality restrictions shall continue to apply to information that must be treated as Highly Confidential Information under the definition of “Highly Confidential Information” whether or not it is marked as such; (2) is known by the receiving Party, as evidenced by its records, without obligation of confidence at the time of receiving such information; (3) is, after receipt of the information from AACS LA or Licensor(s) hereunder, also furnished to the Adopter by a third party without breach of confidence and without restriction on disclosure; (4) is independently developed by Adopter without any breach of this Interim Agreement; or (5) is the subject of a written permission to disclose provided by the AACS LA.

- 6.11 Confidentiality Period. The confidentiality obligations set forth in Section 6.2 shall be in effect during the term of this Interim Agreement and shall continue thereafter until five (5) years after termination of this Interim Agreement. The confidentiality obligations set forth in Section 6.3 shall be in effect during the term of this Interim Agreement and shall continue thereafter until the later of (1) three (3) years after the last commercial use of the AACS Technology by AACS LA or any Adopter, or (2) the expiration of the last copyright related to any AACS Technology encrypted/scrambled content which then exists in any country adhering to the Agreement on Trade Related Aspects of Intellectual Property Rights of the World Trade Organization dated April 15, 1994; provided that such confidentiality obligations shall not apply to Device Keys that have been Expired in accordance with the Expiration procedures contained in this Interim Agreement.
- 6.12 Reverse Engineering. Under no circumstances shall Adopter or its subcontractors under Sections 2.2.1.3 or 2.3.3 reverse engineer, reverse translate, decompile, disassemble, or otherwise seek to determine the operation of any element of Highly Confidential or Confidential Information or allow another to do so, provided, however, that this Section 6.12 shall not prohibit Adopter or its subcontractors under Sections 2.2.1.3 or 2.3.3 from conducting testing for the purpose of verifying compliance of its own Evaluation Licensed Component, Evaluation Licensed Product, Licensed Product or Licensed Components with the Compliance Rules. Adopter or its subcontractors under Sections 2.2.1.3 or 2.3.3 may, to the minimum extent necessary to (i) test, debug, integrate or tune its own Evaluation Licensed Component, Evaluation Licensed Product, Licensed Product or Licensed Components to ensure that they work in their intended operational environment with other Evaluation Licensed Component, Evaluation Licensed Product, Licensed Products or Licensed Components; or, (ii) verify compliance of its own Evaluation Licensed Component, Evaluation Licensed Product, Licensed Product or Licensed Components with the Compliance Rules, conduct compliance or electrical analyses with

respect to the operation of other Licensed Products that form part of such intended operational environment.

- 6.13 Export. Adopter shall comply with all applicable laws and regulations of the United States, Japan and other countries and jurisdictions relating to the export or re-export of commodities, software, and technical data insofar as they relate to activities under this Interim Agreement, and shall obtain any approval required under such laws and regulations whenever it is necessary for such export or re-export. Adopter agrees and understands that commodities, software and technical data provided under this Interim Agreement may be subject to restrictions under the export control laws of the United States, Japan and other countries and jurisdictions, as applicable, including but not limited to the US Export Administration Act, the US Export Administration Regulations, and the Japanese Foreign Exchange and Foreign Trade Law, and shall obtain any approval required under such laws and regulations whenever it is necessary for such export or re-export.
- 6.14 Disclosure to Affiliates. Notwithstanding any terms in this Interim Agreement, each entity comprising Adopter may disclose any Confidential Information to its Affiliates, provided that in such case the entity signing this Interim Agreement as Adopter shall cause its Affiliates to be bound by any and all provisions of this Interim Agreement to the same extent such entity is bound. Failure by such Affiliates to observe any provision of this Interim Agreement shall constitute a breach of this Interim Agreement by such Adopter.

7. TERM/TERMINATION

- 7.1 Termination. This Interim Agreement shall commence upon the Effective Date and shall continue until expired or terminated in accordance with any of the following provisions:
- 7.1.1 This Interim Agreement shall expire upon the earlier of (a) December 4, 2009 (the “Expiration Date”) and (b) if Adopter enters into a Final Adopter Agreement, the effective date of such agreement (such earlier date, the “Anticipated Termination Date”), unless sooner terminated in accordance with this Interim Agreement. Without limiting Adopter’s right to continue to sell and distribute Licensed Products, Licensed Components and Robust Inactive Products as otherwise permitted hereunder until the end of the term of this Interim Agreement, in the event that the Expiration Date occurs less than six (6) months after the Effective Date, Adopter shall cease the manufacture under this Interim Agreement of Licensed Products, Licensed Components and Robust Inactive Products no later than three (3) months after the Expiration Date. .

7.1.1.1 AACS LA does not anticipate that any obligations in the Final Adopter Agreement (including in the specifications and compliance rules thereunder) will require Adopter to make changes to its product design or manufacturing processes other than changes necessary to implement watermark detection and response and the offering of Managed Copies (“Anticipated Changes”). If, however, the Final Adopter Agreement would require Adopter to make modifications to its product design or manufacturing processes for Licensed Components, Robust Inactive Products or Licensed Products produced under this Interim Agreement, then, if Adopter enters into a Final Adopter Agreement prior to the expiration of this Interim Agreement, the Final Adopter Agreement will permit Adopter to continue to make and distribute additional units of such existing products without implementing such changes for eighteen (18) months (or ninety (90) days in the case that such required modifications are not material) beyond the effective date of the Final Adopter Agreement entered into by Adopter or, in the case of Anticipated Changes, such other time period as may be specified in the Final Adopter Agreement, provided that any new product models first manufactured after the effective date of the Final Adopter Agreement shall not be eligible for such delayed implementation.

7.1.2 Termination by Adopter.

7.1.2.1 Adopter shall have the right to terminate this Interim Agreement at any time upon at least ten (10) days prior written notice to AACS LA and Licensors.

7.1.2.2 In the event of a change to one or more Specifications under this Interim Agreement, Adopter shall have the right during the thirty (30) day notice period specified in Section 4.1 to give AACS LA written notice that it is irrevocably terminating this Interim Agreement effective on a date no later than the date on which Adopter would have to comply with the change under Section 4.1. In the event of such termination, and provided that Adopter does not implement such change, Adopter’s covenants not to assert under Section 2.6.1 through Section 2.6.5 shall not apply to claims that would otherwise be Necessary Claims with respect to the new version of the Specification(s) but which were not Necessary Claims prior to such changes, and Adopter shall not have any right under this Interim Agreement to implement the new versions of the Specifications(s).

7.1.2.3 In the event that AACS LA and the Licensors adopt a new Specification under this Interim Agreement that maps or ports the AACS Technology to an additional optical media format, Adopter shall have the right, within thirty (30) days of receiving notice from AACS LA of the adoption of such new

Specification, to give AACS LA written notice that it is irrevocably terminating this Interim Agreement effective on a date no later than the end of the term of this Interim Agreement. In the event of such termination, and provided that Adopter does not implement such new Specification, Adopter's covenants not to assert under Section 2.6.1 through Section 2.6.5 shall not apply to claims that would otherwise be Necessary Claims with respect to the new Specification or any subsequently adopted Specification, and Adopter shall not be granted any rights under Sections 2.2 or 2.3 with respect to the new Specification or any subsequently adopted Specification.

7.1.3 Breach. AACS LA, but not a Licensor, may terminate this Interim Agreement on behalf of itself and the Licensors for any material breach by Adopter, and Adopter may terminate this Interim Agreement for any material breach by AACS LA or Licensors, by providing timely written notice to the other parties and an opportunity to cure the breach. If the breach is not fully cured or curable within thirty (30) days of receiving such notice the Agreement may be terminated. In the case of a product that meets the definition of Robust Inactive Product, but when activated as part of an activation process intended to result in a Licensed Product, would not, in fact, result in a Licensed Product, if the Adopter prevents any new activation of the AACS functions of instances of such Robust Inactive Product or requires the installation of a Periodic Update curing the breach upon being activated no later than thirty (30) days after receiving such notice, then further distribution of such Robust Inactive Product shall not constitute a breach for purposes of Sections 7 and 9 hereof. Notwithstanding the prior two sentences, Adopter agrees that AACS LA may terminate this Interim Agreement upon notice without further opportunity to cure if Adopter has engaged in a pattern of behavior involving the repeated release of non-compliant products for which Adopter received notice of the breach, whether or not Adopter corrected such repeated breaches following such notice, or the repeated distribution of Licensed Components in violation of the distribution restrictions of Sections 2.3.1 and 2.3.2 other than in cases where Adopter has reported to AACS LA the failure of Licensed Components to be received by the intended authorized recipient pursuant to clause (v) of the definition of "Licensed Component".

7.1.4 Avoidance of Legal Liability. In the event such action is necessary to avoid its potential legal liability, AACS LA may terminate this Interim Agreement by providing thirty (30) days written notice to Adopter. Any Licensor may terminate its licenses to Necessary Claims and convert such licenses to equivalent covenants not to assert Necessary Claims, subject to equivalent defensive suspension qualifications, to the extent such action is necessary to avoid such

Licensors' potential legal liability, by providing thirty (30) days written notice to Adopter.

7.1.5 Bankruptcy. AACS LA may terminate this Interim Agreement and any Licensor may terminate its licenses to Necessary Claims in the event that Adopter: (i) files in any court or agency pursuant to any statute or regulation of any state, country or jurisdiction, a petition in bankruptcy or insolvency or for reorganization or for an arrangement or for the appointment of a receiver or trustee of its assets; (ii) proposes a written agreement of composition or extension of its debts; (iii) is served with an involuntary petition against it, filed in any insolvency proceeding, and such petition is not dismissed within sixty (60) days after the filing thereof; (iv) proposes or becomes a party to any dissolution or liquidation; or, (v) makes an assignment for the benefit of its creditors.

7.2 Effect of Termination. Upon termination or expiration of this Interim Agreement, all licenses granted to Adopter by the Licensors and AACS LA under Sections 2.2 and 2.3 shall terminate and Adopter shall promptly cease use of the AACS Technology, and cease all activities under licensed rights under this Interim Agreement, including but not limited to, use, evaluation, testing, development, production, manufacture, sale or distribution of products authorized by or licensed under this Interim Agreement. Except in the case that Adopter has entered into a Final Adopter Agreement, within thirty (30) days after termination or expiration of this Interim Agreement, Adopter shall return, or at AACS LA's option, destroy and certify such destruction of, all Confidential Information and Highly Confidential Information (including any AACS Keys not already incorporated in products manufactured prior to the date of termination or expiration) to AACS LA or, at AACS LA's option destroy all such information in its possession, retaining no copies thereof, and provide to AACS LA a written certification of such destruction signed by a senior official or officer of the Adopter. Notwithstanding the foregoing:

7.2.1 If this Interim Agreement expires or is terminated for reasons other than an uncured breach by Adopter or a termination under Sections 7.1.2.2 or 7.1.2.3, Adopter licensed under Section 2.3 shall be entitled to a ninety (90) day sell-off period or until the date on which this Interim Agreement would have expired under Section 7.1.1, whichever is sooner, for Licensed Products and Licensed Components (provided that Licensed Components are distributed only as permitted under Sections 2.3.1 and 2.3.4) that Adopter can demonstrate were manufactured, in the ordinary course of its business, consistent with past practice prior to the expiration or termination of this Interim Agreement.

7.2.2 In the event that Adopter, prior to the date of such termination or expiration, manufactures, distributes or sells a product that contains a

Robust Inactive Product and has other functionality that can be used without activation, access to or use of the product's AACS functionality, Adopter shall have the right to continue, subject to the terms and conditions of this Interim Agreement, to manufacture, distribute and sell such product provided that, (i) after the date of such termination or expiration, Adopter shall not activate (as in the definition of Connected), or facilitate the activation, access to or use by others of the AACS functions of such Robust Inactive Products, and (ii) Adopter discontinues manufacture, distribution and sale of such product containing the Robust Inactive Product no later than two years following termination or expiration or such longer period as AACS LA shall approve in writing, provided that AACS LA shall not unreasonably withhold approval for a such longer period consistent with Adopter's normal product version cycles where (a) Adopter can demonstrate that the cost of removing AACS Technology from a Robust Inactive Product prior to the end of such extended period would be substantial, (b) the continued shipment of the Robust Inactive Product would not perpetuate a breach of this Interim Agreement that would affect the security of AACS Technology or the security of AACS Content; (c) there have not been repeated breaches of this Interim Agreement by Adopter; and (d) such extension would not otherwise compromise the commercial viability, integrity, security, or performance of the AACS technology, or the security of AACS Content.

- 7.3 Survival. Sections 1, 2.6.1 through 2.6.5 (in each case, with respect to all versions of Specifications that became Specifications during the term of this Interim Agreement except as otherwise provided in 7.1.2.2 or 7.1.2.3), 2.7, 3.3, 3.4, 3.5, 4.1.1 and 6 through 11 – and such other sections of this Interim Agreement that, by their own terms survive termination or expiration of this Interim Agreement, shall continue in full force after termination or expiration of this Interim Agreement until by their terms they are fulfilled.

8. DISCLAIMER & LIMITATION ON LIABILITY

- 8.1 Generally. The following terms limit the ability of the Adopter to recover any damages from AACS LA or the Licensors in excess of fees actually paid to the AACS LA by Adopter. These provisions are an essential part of the bargain, without which neither AACS LA nor Licensors would be willing to enter into this Interim Agreement.
- 8.2 Disclaimer. ALL INFORMATION, AACS TECHNOLOGY, AND SPECIFICATIONS ARE PROVIDED "AS IS." AACS LA, LICENSORS AND THEIR 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 INTERIM AGREEMENT. AACS LA, LICENSORS, AND THEIR AFFILIATES FURTHER DISCLAIM ANY WARRANTY THAT ANY IMPLEMENTATION OF THE SPECIFICATIONS, IN WHOLE OR IN PART, WILL BE FREE FROM INFRINGEMENT OF ANY THIRD PARTY INTELLECTUAL PROPERTY OR PROPRIETARY RIGHTS.

- 8.3 Limitation of Liability. NEITHER AACS LA NOR LICENSORS OR THEIR AFFILIATES, NOR ANY OF THEIR DIRECTORS, OFFICERS, AGENTS, MEMBERS, REPRESENTATIVES, EQUIVALENT CORPORATE OFFICIALS, OR EMPLOYEES ACTING IN THEIR CAPACITIES AS SUCH (COLLECTIVELY THE “AFFECTED PARTIES”) OR THEIR AFFILIATES SHALL BE LIABLE TO ADOPTER FOR ANY DIRECT, INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL OR PUNITIVE DAMAGES ARISING OUT OF ANY CAUSE OF ACTION RELATING TO THIS INTERIM AGREEMENT, INCLUDING TERMINATION OF THE AGREEMENT PURSUANT TO SECTION 7.1, OR BASED ON ANY PERSON’S USE OF OR MAKING, USING, SELLING OR IMPORTING ANY PRODUCTS OF ADOPTER THAT IMPLEMENT CONFIDENTIAL OR HIGHLY CONFIDENTIAL INFORMATION OR THE AACS TECHNOLOGY, REFERENCE CODE, OR SPECIFICATIONS, WHETHER UNDER THEORY OF CONTRACT, TORT, INDEMNITY, INTELLECTUAL PROPERTY INFRINGEMENT (DIRECT, CONTRIBUTORY OR OTHERWISE) PRODUCT LIABILITY, REGULATORY OR STATUTORY VIOLATION, OR OTHERWISE. TO THE EXTENT THAT ANY COURT OF COMPETENT JURISDICTION RENDERS JUDGMENT AGAINST ANY OF THE AFFECTED PARTIES NOTWITHSTANDING THE ABOVE LIMITATION, THE AFFECTED PARTIES’ AGGREGATE LIABILITY TO ADOPTER IN CONNECTION WITH THIS INTERIM AGREEMENT SHALL IN NO EVENT EXCEED THE FEES PAID BY ADOPTER TO AACS LA HEREUNDER. ADOPTER AND ITS DIRECTORS, OFFICERS, AGENTS, MEMBERS, REPRESENTATIVES, EQUIVALENT CORPORATE OFFICIALS, OR EMPLOYEES ACTING IN THEIR CAPACITIES AS SUCH SHALL NOT BE LIABLE TO AACS LA, LICENSORS, OR THEIR AFFILIATES FOR INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL OR PUNITIVE DAMAGES BUT SHALL BE LIABLE FOR DAMAGES AS SET FORTH IN SECTION 9.
- 8.4 Interoperability With Other Encrypted Blocks of Keys. Adopter understands and agrees that the MKBs provided pursuant to this Interim Agreement are unique to the AACS Technology and may not be

interoperable with other encrypted blocks of keys licensed or distributed by any one or more of the Licensors or any third parties.

- 8.5 Other Licenses. Adopter acknowledges that it may require a license under patent claims other than the Necessary Claims licensed under this Interim Agreement to implement the Specifications, including but not limited to the AACS Technology.

9. REMEDIES

- 9.1 Indemnification for Wrongful Acts of Adopter. Adopter shall indemnify and hold AACS LA, the Licensors, their Affiliates and their respective officers, members, representatives, agents, directors, equivalent corporate officials, and employees, harmless from and against any and all losses, claims, actions, suits, proceedings or litigation, and any losses, deficiencies, damages, liabilities, costs and expenses including without limitation, reasonable attorneys' 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, to the extent resulting from any breach of any covenant, agreement, representation or warranty herein or negligent acts committed by Adopter, its Affiliates or its or their employees or agents arising out of or in relation to the subject matter of this Interim Agreement.
- 9.2 Device Inspection. AACS LA or any Eligible Content Participant or Eligible Fellow Adopter may acquire products distributed hereunder on the open market for examination. Adopter agrees that upon notice given by AACS LA or any Eligible Content Participant. (each, a "Requesting Party") that the Requesting Party reasonably and in good faith believes that a particular model or version of a product designed or manufactured by Adopter is in breach of this Interim Agreement, Adopter shall provide reasonable cooperation in affording an independent expert designated by the Requesting Party acceptable to Adopter (which acceptance shall not be unreasonably withheld) an example of any product distributed hereunder and shall provide to the independent expert, under the terms of a reasonable non-disclosure agreement acceptable to Adopter and the independent expert, and that also includes protections for Confidential Information and Highly Confidential Information relating to the AACS Technology that are no less stringent than those provided for in this Interim Agreement, the service manual for such product and any further details necessary for the independent expert to determine whether Adopter's product is in compliance with the Agreement. By way of example such details include the executable object code, functional design diagrams, and block diagrams, but shall not include the source code, the Verilog Hardware Description Language ("VHDL") or similar highly confidential information. Beyond providing the independent expert with access to the aforementioned details, Adopter's active participation in such inspection

shall be voluntary. Such inspection shall be at Requesting Party's expense and shall be conducted at mutually convenient times. Adopter shall not be precluded or estopped from challenging the opinion of such expert in any forum. Nothing in this paragraph shall limit the role or testimony of such expert, if any, in a judicial proceeding under such protective orders as a court may impose. This provision may not be invoked more than once per implementation, model or version, except to the extent that one or more Requesting Parties are re-inspecting such implementation, model, or version that has been revised in an effort to cure any alleged failure of compliance.

Nothing in this Section 9.2 shall grant a license or permission for AACS LA, or any Licensor, Eligible Content Participant, Eligible Fellow Adopter or expert to decompile or disassemble Adopter's software object code. Nothing in this Section 9.2 shall grant a license or permission for AACS LA or any Licensor, Eligible Content Participant or Eligible Fellow Adopter, or expert to take any actions or make use of information resulting from such examination or evaluation for any purpose other than for verifying compliance with the terms of this Interim Agreement. AACS LA or any Licensor, Eligible Content Participant, or expert or, in the case that Adopter is acting as a Licensed Content Producer, any Eligible Fellow Adopter, that may participate in the examination of one or more of Adopter's products may otherwise use and disclose in its business the increased or enhanced knowledge retained in the unaided memories of its directors, employees, agents, or contractors as a result of exposure to such products of Adopter or the details provided hereunder and any increased experience that results from such exposure. No Party shall have any rights in any business endeavors of any other Party that may use such knowledge and experience nor any right to compensation related to AACS LA's or any Licensor's, Eligible Content Participant's or Eligible Fellow Adopters' or expert's use of such knowledge and experience.

- 9.3 Equitable Relief. Adopter agrees that if it breaches its obligations under Section 6 or the Compliance Rules (including the Robustness Rules) of this Interim Agreement, and such breach is not cured in accordance with Section 7.1.3 or falls under (i) or (ii) below, money damages may not provide adequate compensation. This is due to the unique nature of certain provisions of this Interim Agreement and the lasting effect and harm from any breach of such provisions, including making available the means for and/or providing an incentive for widespread circumvention of the AACS Technology and unauthorized copying of copyrighted content intended to be protected using the AACS Technology. Adopter further agrees that, as provided by law, injunctive relief is an appropriate remedy to prevent or limit the adverse consequences of actual or threatened breaches of this Interim Agreement that are not cured in accordance with Section 7.1.3.

Notwithstanding the preceding sentence, Adopter agrees that AACS LA or a Third Party Beneficiary shall be entitled to seek injunctive relief to prevent further or threatened breaches of this Interim Agreement without further notice or opportunity to cure if (i) Adopter has engaged in a pattern of behavior involving the repeated release of non-compliant products for which Adopter received notice of the breach, whether or not Adopter corrected such repeated breaches following such notice, or (ii) Adopter has distributed Licensed Components in violation of the distribution restrictions of Sections 2.3.1 and 2.3.2 other than in cases where Adopter has reported to AACS LA the failure of Licensed Components to be received by the intended authorized recipient pursuant to Section 1.43(v). AACS LA agrees that systemic failures of AACS Technology, or any aspect of AACS Technology, that are not caused by breaches by Adopter shall not trigger application of the provisions of this Section 9.3 to Adopter and/or its products.

9.4 Damages Measures and Limitation for AACS LA Claims. The parties agree that it may be impossible to estimate the amount of damages in the event of certain breaches. Adopter agrees that in the event of those material breaches by Adopter described below in Sections 9.4.1-9.4.3, in addition to any other remedies in equity, but in lieu of any and all other claims by AACS LA for monetary damages, Adopter shall be liable to AACS LA for liquidated damages for each material breach (only if such breach is not cured in accordance with Section 7.1.3 or falls under Section 9.3(i) or (ii)) in the amount set forth below, such amounts to be the exclusive monetary remedies available to AACS LA for any and all such breaches by Adopter. For purposes of this Section 9.4, a series of substantially related events shall constitute a single material breach. For the avoidance of doubt, in the event that Adopter pays the amount designated in this Section 9.4 in connection with a material breach by Adopter of this Interim Agreement, Adopter shall have no further liability to AACS LA, or the Licensors in their capacity as Licensors, or the constituent entities of AACS LA in their capacity as constituent entities of AACS LA, for additional monetary damages regardless of legal theory (*e.g.*, negligence) based in whole or in part on the act(s) or omission(s) of the Adopter that gave rise to such material breach.

9.4.1 Material Breach of Confidentiality Provisions. Without limitation to any amounts for which Adopter may be liable to AACS LA under Section 9.4.2, in the event of a material breach of the confidentiality provisions set forth in Sections 6.1 through 6.4 and Section 6.12 of this Interim Agreement, Adopter shall be liable to AACS LA for one million dollars. For purposes of this Section 9.4.1 a breach shall be “material” only if it has resulted in or would be likely to result in commercially significant harm to other users of the AACS Technology, including but not limited to Fellow Adopters and

Content Participants, or constitute a threat to the integrity or security of the AACS Technology or the security of AACS Content. In addition, the following is a non-exclusive list of circumstances in which the provisions of this Section 9.4.1 above shall not apply: (1) if no Confidential Information and/or Highly Confidential Information was released to a third party not permitted hereunder to have such information or could reasonably have been expected to have been released to such third party as a result of the breach; (2) if Adopter maintains a documented internal program to assure compliance herewith (including a program to assure maintenance of inventory, samples, and confidentiality of information for purposes in addition to compliance with this Interim Agreement), the breach was inadvertent or otherwise unintentional, and the breach did not have a material adverse effect on the integrity or security of the AACS Technology or the security of AACS Content; or (3) if Adopter brought the breach to AACS LA's attention in a timely manner as required by this Interim Agreement and such breach did not have a material adverse effect on the integrity or security of the AACS Technology or the security of AACS Content.

9.4.2 **Material Breach of Compliance or Robustness Rules.** In the event of a material breach of the applicable Compliance Rules, other than a breach of Part 3 Section 1 of the Compliance Rules that involves the manufacture or distribution of devices or software that fail to protect the integrity or security of the AACS Technology or the security of AACS Content, and such breach is not cured in accordance with Section 7.1.3, Adopter shall be liable to AACS LA in the amount of eight (8) million dollars. AACS LA agrees that systemic failures of the AACS Technology, or any aspect of the AACS Technology, that are not caused by breaches by Adopter shall not trigger application of the provisions of this Section 9.4.2 to Adopter and/or its products.

9.4.3 **Misdistributions of Licensed Components.** In the event of a material breach that involves the distribution of a Licensed Component containing a Device Key in violation of the distribution restrictions of Sections 2.3.1 and 2.3.2, other than in cases where Adopter has reported to AACS LA the failure of Licensed Components to be received by the intended authorized recipient pursuant to Section 1.33(v), Adopter shall be liable to AACS LA in the amount of eight (8) million dollars.

9.5 **Other Material Breaches.** In the event of a material breach that involves any provision of this Interim Agreement, other than Section 2.6 or those covered by Sections 9.4.1 or 9.4.2 or 9.4.3, and such breach is not cured in accordance with Section 7.1.3, Adopter shall be liable to AACS LA for actual damages up to but not in excess of eight million dollars. AACS LA agrees that systemic failures of the AACS Technology, or any aspect of the AACS Technology, that are not caused by breaches by Adopter shall not

trigger application of the provisions of this Section 9.5 to Adopter and/or its products.

9.6 Third Party Beneficiary Rights. The parties agree that Adopter's compliance with the terms and conditions of this Interim Agreement is essential to maintain the value and integrity of the AACS Technology and that such compliance is an integral part of the next generation Digital Entertainment Content business, and as such is a matter of concern to all industry participants. As part of the consideration granted herein, Adopter agrees that each Eligible Content Participant shall be a Third Party Beneficiary of this Interim Agreement and shall be entitled to bring a claim or action to enforce certain rights against Adopter in accordance with the procedures set out in this Section 9, with respect to Adopter's compliance with the terms and conditions of this Interim Agreement.

9.6.1 Prior to bringing any Third Party Beneficiary Claim hereunder, an Eligible Content Participant must (i) send notice of breach to Adopter, with a copy to AACS LA, which notice shall trigger the cure period and conditions of Section 7.1.3 as if such notice were sent by AACS LA, or (ii) in those situations that are incurable under Section 7.1.3 or fall under Section 9.3(i) or (ii), send notice to AACS LA that such Eligible Content Participant is bringing such Third Party Beneficiary Claim.

9.6.2 If Adopter fails to cure a breach of this Interim Agreement following notice from Eligible Content Participant as provided 9.6.1 and in 7.1.3, or is not entitled to notice or opportunity to cure under Sections 7.1.3 or 9.3(i) or (ii) the Eligible Content Participant's rights will be limited to seeking injunctive relief with respect to: (i) the offer for sale, distribution or other transfer of Licensed Components other than in accordance with this Interim Agreement, including without limitation Section 2.3 hereof; (ii) the manufacture, distribution, commercial use and sale of Adopter's implementations of the AACS Technology that are in breach of any obligations hereunder to comply with the Compliance Rules; and (iii) any disclosure of Confidential Information or Highly Confidential Information that materially and adversely, or in the case of injunctive relief could adversely, affect the integrity of the AACS Technology or the security of Digital Entertainment Content owned or controlled by Content Participant (items (i) through (iii) referred to herein as "the Prohibited Actions").

9.7 Fellow Adopter Third Party Beneficiary Claims. The parties agree that each AACS licensee's compliance with the terms and conditions of its Approved License is essential to maintain the value and integrity of the AACS Technology and that such compliance is an integral part of the next generation Digital Entertainment Content business, and as such is a matter of concern to all industry participants. While a Fellow Adopter licensed under Section 2.3 (or comparable provision of another Adopter Agreement)

is an Eligible Fellow Adopter, such Eligible Fellow Adopter: (i) shall be a Third Party Beneficiary of each Content Participant Agreement and shall be entitled to bring a claim or action to enforce rights against a Content Participant, in accordance with the third-party-beneficiary procedures set out in this Section 9 and the applicable Content Participant Agreement, with respect to such Content Participant's compliance with certain of its obligations under its Content Participant Agreement and (ii) shall be a Third Party Beneficiary of each Adopter Agreement for which the applicable Fellow Adopter acts as a Licensed Content Producer and shall be entitled to bring a claim or action to enforce rights against a Fellow Adopter to the extent acting as a Licensed Content Producer, in accordance with the third-party-beneficiary procedures set out in this Section 9 (or comparable provisions of another Adopter Agreement), for breaches involving a pre-recorded product produced by or using the AACS Technology manufactured or distributed by such Fellow Adopter that is not in Compliance with the Compliance Rules and Specifications or that violates Section 3.7.

9.7.1 Prior to bringing any Third Party Beneficiary Claim against a Fellow Adopter, an Eligible Fellow Adopter must (i) send notice of breach to such Fellow Adopter, with a copy to AACS LA, which notice shall trigger the cure period and conditions of Section 7.1.3 (or comparable provisions of another Adopter Agreement) as if such notice were sent by AACS LA, or (ii) in those situations that are incurable under Section 7.1.3 or fall under Section 9.3(i) or (ii) (or comparable provisions of another Adopter Agreement), send notice to AACS LA that such Eligible Fellow Adopter is bringing such Third Party Beneficiary claim.

9.7.2 An Eligible Fellow Adopter's rights to bring a Third Party Beneficiary Claim pursuant to a Content Participant Agreement, shall be as set out in such Content Participant Agreement. Such provisions of the Interim Content Participant Agreement are attached hereto as Exhibit G.

9.8 Procedures for Third Party Beneficiary Claims. Prior to initiating any Third Party Beneficiary Claim pursuant to Sections 9.6 or 9.7, the Third Party Beneficiary seeking to institute such a claim shall provide AACS LA written notice of its intent to pursue such a claim. Such Third Party Beneficiary shall likewise provide AACS LA notice of the actual filing of any Third Party Beneficiary Claims, and shall at AACS LA's request provide copies of material documents to be filed in such Third Party Beneficiary's initiation, institution or pursuit of such Third Party Beneficiary Claim. AACS LA shall offer reasonable cooperation to 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 protecting the integrity and security of the AACS

Technology and does not otherwise interfere with AACCS LA's obligations to other Fellow Adopters or Content Participants. Third Party Beneficiaries shall not be obligated to provide copies of documents filed or to be filed under seal. AACCS LA shall have the option of requiring that any information or documents provided by AACCS LA or Licensors, Content Participants or Fellow Adopters to Third Party Beneficiary be filed under seal. Documents provided to AACCS LA under the procedures set out herein shall not include any documents filed or to be filed under seal in connection with such Third Party Beneficiary Claim.

- 9.9 Joining Third Party Beneficiary Claims. AACCS LA shall provide timely notice to all Content Participants that are Contributors listed on Exhibit E or Founders (in the case of a Third Party Beneficiary Claim against a Fellow Adopter other than a Fellow Adopter to the extent acting as a Licensed Content Producer) or Fellow Adopters that are Contributors listed on Exhibit E or Founders (in the case of a Third Party Beneficiary Claim against a Content Participant, or Fellow Adopter to the extent acting as a Licensed Content Producer) of receipt of any notice of a Third Party Beneficiary Claim against such defendant ("Defendant"). Within 30 days of the date of receipt of such notice, all eligible Third Party Beneficiaries shall elect whether to join the Third Party Beneficiary Claim and provide notice of intent to join such Third Party Beneficiary Claim to AACCS LA. The failure to provide notice to AACCS LA and to move to join such Third Party Beneficiary Claim within the allotted thirty (30) day period, or the subsequent withdrawal from such third Party Beneficiary Claim shall be deemed a waiver of the applicable Content Participant's and/or fellow Adopter's Third Party Beneficiary right under the Content Participant Agreement and this Interim Agreement with respect to all Third Party Beneficiary Claims against Defendant arising out of the alleged breach asserted by Third Party Beneficiary. The Third Party Beneficiary instituting or initiating a Third Party Beneficiary Claim shall support, and Defendant shall not object to, any motion to so join provided it is instituted within the 30 day period following receipt of notice of such Third Party Beneficiary Claim. Neither a Content Participant's or a Fellow Adopter's failure to notify and consult with AACCS LA or provide AACCS with relevant documents, nor AACCS LA's failure to give notice or provide copies to any Content Participant or Fellow Adopter in accordance with these Third Party Beneficiary procedures shall be a defense to any Third Party Beneficiary Claim or grounds for a request to delay the granting of preliminary relief requested.
- 9.10 Settlement of Third Party Beneficiary Claims. Third Party Beneficiaries shall have no right to, and Adopter licensed under Section 2.3 agrees that it shall not, enter into any settlement that: (1) amends any material term of this Interim Agreement or the Content Participant Agreement; (2) has an

adverse effect on the integrity/and or security of the AACS Technology or the security of Digital Entertainment Content protected by AACS Technology; or (3) adversely affects or lowers the value of any of AACS LA's or the Licensor's rights in and to the AACS Technology or any intellectual property right related to it (embodied therein) unless AACS LA and the Licensors shall have provided prior written consent thereto.

- 9.11 No Limitation of Remedies. Notwithstanding anything else to the contrary contained in this Interim Agreement or any Content Participant Agreement or other Adopter Agreement, a Third Party Beneficiary's exercise of its Third Party Beneficiary rights under this Section 9 shall not constitute an election against any statutory or other extra-contractual remedy against Adopter, another Fellow Adopter or Content Participant, as the case may be, such as an action for infringement of copyright, or patent, or an action for circumvention of an effective technological measure pursuant to the Digital Millennium Copyright Act, which may be available to the Third Party Beneficiary for the same act that gave rise to the Third Party Beneficiary Claim.
- 9.12 Prevailing Party Attorneys Fees. The prevailing party in any action to enforce any remedy available under this Section 9 (a "Claim") shall be entitled to an award of its reasonable attorneys fees incurred in relation to the Claim, in an amount to be fixed either pursuant to stipulation by the parties to a given case or the court provided that if it is AACS LA or a Third Party Beneficiary acting as a plaintiff, such plaintiff must establish by clear and convincing evidence that the defendant Fellow Adopter or Content Participant has materially breached or engaged in a pattern or practice of breaching the relevant Adopter Agreement or Content Participant Agreement.

10. EXPIRATION OF AACS KEYS

- 10.1 Generally. Adopter understands and agrees that if AACS LA determines that circumstances warranting Expiration of an AACS Key exist, and such AACS Key has been used in more than one Licensed Product, Expiration of such AACS Key may affect all Licensed Products incorporating said AACS Key. The types of AACS Keys and the procedures applicable for their assignment, use and expiration are set forth in the Compliance Rules and this Section 10.
- 10.2 Proactive Renewal and Automatic Expiration of Shared Device Key Sets. The Compliance Rules provide for circumstances and procedures according to which shared Device Key Sets are to be proactively renewed. In the event Adopter elects to use a shared Device Key Set in a Licensed Products or Licensed Components, Adopter agrees that (i) AACS shall distribute Expiration Information to Expire such shared Device Key Set in the first

regularly scheduled MKB occurring on or after a date seventeen (17) months from the date on which such shared Device Key set was delivered to Adopter by AACS, and (ii) in the event that such a shared Device Key Set is to be Expired sooner pursuant to one of the criteria set forth Section 10.3 and the procedures set forth in Sections 10.4 and 10.5, Adopter shall, for a period of ninety (90) days beginning on the date that AACS LA would otherwise distribute Expiration Information to expire such shared Device Key Set under Section 10.5, make a good faith effort to use its Proactive Renewal (as defined in the Compliance Rules) mechanisms to replace the to-be-Expired shared Device Key Set in a substantial majority of Licensed Products containing such shared Device Key Set. For the avoidance of doubt, nothing in (ii) shall require Adopter to forego its right to object to Expiration and seek arbitration pursuant to Sections 10.4 and 10.5.

10.2.1 In the event that clause 10.2(ii) applies, AACS LA shall delay its release of new MKBs containing the Expiration Information relating to such shared Device Key Set for a period of sixty (60) days from the date such release would otherwise have occurred, provided that recipient Fellow Adopters, Content Participants and Content Providers shall not allow Licensed Products and Licensed Content Products containing such new MKBs to be sold to consumers for an additional thirty (30) days following such release. For avoidance of doubt, nothing in the foregoing section shall prohibit Fellow Adopters, Content Participants and Content Providers from continuing to sell Licensed Products and Licensed Content Products containing the previous version of the MKB to consumers during such period in a manner otherwise consistent with the terms of their respective Approved Licenses.

10.3 Other Circumstances Warranting Expiration. AACS LA, at its own initiative or that of any Eligible Fellow Adopter, or Eligible Content Participant, may Expire a Device Key, a Device Key Set, Host Private Key, Drive Private Key or Sequence Key or Sequence Key Set when:

10.3.1 such AACS Key has been cloned such that the same AACS Key is found in more than one device or Licensed Product other than as set forth in the Compliance Rules for products implementing shared Device Key Sets;

10.3.2 such AACS Key or Key Set has been (i) made public, lost, stolen, intercepted or otherwise misdirected, or (ii) extracted or disclosed except to the extent permitted by this Interim Agreement ;

10.3.3 AACS LA is directed to Expire such AACS Key or Key Set by the National Security Agency, court order, or other competent government authority;

- 10.3.4 such AACS Key correlates to a Licensed Component that was reported by Adopter as having been shipped to but not received by an intended authorized recipient pursuant to Section 1.43(v);
- 10.3.5 such AACS Key correlates to a specific instance of a Licensed Product (in the case of unique keys) or to a version or model of a Licensed Product (in the case of shared keys) where such instance or version/model, as the case may be, has been used for unauthorized distribution, reproduction or transmission of AACS Keys

(the “Expiration Criteria”). Without limiting the foregoing, AACS LA shall not Expire AACS Keys (a) based on Adopter’s breach of this Interim Agreement, other than where Adopter has caused any of the circumstances set forth in Sections 10.3.1 through 10.3.5 above; or (b) to disable products or devices where the security of the AACS Technology has been compromised by third parties, other than as described in Sections 10.3.1 through 10.3.5 above.

10.4 Consultation with Affected Adopter.

- 10.4.1 In the event of Expiration based on Section 10.3.3, there shall be no consultation with the affected Fellow Adopter, and AACS LA shall Expire the relevant AACS Key(s) in a manner and with such reasonable notice as is consistent with the order leading to Expiration.
- 10.4.2 In the event of Expiration based on Section 10.3.4, AACS LA shall Expire the relevant AACS Key(s) as soon as possible following receipt of notice by Adopter.
- 10.4.3 In the event of Expiration based on Section 10.2, AACS LA shall Expire the relevant common/shared Device Key(s) as soon as possible on or following the date on which expiration is permitted thereunder.
- 10.4.4 In all other cases, in the event AACS LA seeks to Expire an AACS Key on its own initiative, or receives a request to Expire an AACS Key based on a sworn affidavit (sufficiently detailed that an arbitrator can determine solely on the basis of such affidavit whether the facts averred are sufficient to satisfy the applicable Expiration Criteria) from an Eligible Content Participant or an Eligible Fellow Adopter that any Expiration Criteria has been met, AACS LA shall promptly provide Adopter with written notice setting forth the grounds for Expiration and/or a copy of any affidavit and request Adopter’s consent to Expire the applicable AACS Key(s), provided, however, that AACS LA may reject and decline to notify Adopter of an affidavit if the members of AACS LA unanimously conclude that, on its face, the affidavit fails to set forth in sufficient detail valid grounds for Expiration. Adopter shall respond to AACS LA’s request within fifteen (15) days of receiving notice and shall not unreasonably withhold its consent to Expire an AACS Key. Should Adopter

reasonably believe that none of the Expiration Criteria has been met, Adopter shall provide AACS LA with written notice setting forth the reasons why the affidavit did not provide facts that would satisfy the applicable Expiration Criteria and supplying any additional facts in its own sworn affidavit that establish why the applicable Expiration Criteria has not been met, and shall thereafter promptly submit to arbitration in accordance with the procedures set forth in Section 10.5.

10.5 Procedures for Expiration.

10.5.1 In the event of Expiration under Sections 10.2, 10.3.3 and 10.3.4 or if Adopter consents to expiration following receipt of notice pursuant to Section 10.4, AACS LA shall take steps to Expire the applicable AACS Keys by promptly delivering or causing to be delivered to all Fellow Adopters, Content Participants and Content Providers relevant Expiration Information.

10.5.2 If Adopter (x) objects to AACS LA's request to Expire or (y) does not respond to AACS LA's request to Expire within fifteen (15) days, the matter shall be submitted to arbitration between the party submitting the affidavit in support of expiration and Adopter, except that if the Expiration request is made on AACS' own initiative, the arbitration shall be between AACS and Adopter. At such arbitration the party or parties seeking Expiration shall bear the burden of proof to demonstrate by a preponderance of the evidence that at least one of the applicable Expiration Criteria has been met.

10.5.3 Any arbitration pursuant to this Section 10.5 shall be conducted in accordance with the following procedures:

(a) There shall be a sole arbitrator who shall be selected by the American Arbitration Association from its National Panel of Commercial Arbitrators.

(b) The arbitration shall be conducted in New York, N.Y. in accordance with the International Arbitration Rules of the American Arbitration Association. The arbitration shall be conducted in English.

(c) The arbitrator may conduct the arbitration in such manner as it shall deem appropriate, including the imposition of time limits that it considers reasonable for each phase of the proceeding, but with due regard for the need to act, and make a final determination, in an expeditious manner. The arbitrator shall set a schedule to endeavor to complete the arbitration within one (1) month.

(d) The arbitrator shall permit and facilitate such limited discovery as he or she shall determine is reasonably necessary, taking into account the needs of the parties and the desirability of making discovery as expeditious and cost-effective as possible.

(e) The parties and the arbitrator shall treat the arbitration proceedings, any related discovery, documents and other evidence submitted to, and the decision of, the arbitrator as Confidential

Information; provided, however, that AACS LA shall be entitled to access to all such information whether or not it is a party to such arbitration and shall be permitted to disclose information from such arbitration to the arbitrator to any subsequent arbitration under this Section 10.5 when such information is relevant to the consistent resolution of such subsequent arbitration. In addition, and as necessary, the arbitrator may issue orders to protect the confidentiality of proprietary information, trade secrets and other sensitive information disclosed in discovery or otherwise during the arbitration.

(f) The arbitrator is empowered solely to determine whether any of the Expiration Criteria have been met. Any such determination shall be final and binding on the parties, except that whether the arbitrator exceeded his or her authority shall be fully reviewable by a court of competent jurisdiction. The parties agree that judgment upon any decision may be entered in a court of competent jurisdiction.

(g) The arbitrator shall be compensated at his or her hourly rate, determined at the time of appointment, for all time spent in connection with the arbitration, and shall be reimbursed for reasonable travel and other expenses. The arbitrator shall determine all costs of the arbitration, including his or her fees and expenses, the costs of expert advice and other assistance engaged by the arbitrator, the cost of a transcript and the costs of meeting and hearing facilities. The arbitrator shall assess the losing Party or parties the costs of the arbitration set forth in this subsection (g).

10.6 Keys Containing Errors. Prior to distributing AACS Keys to Adopter, AACS LA shall use reasonable care to verify, or cause its designee to use reasonable care to verify, that such Device Keys are correct. In the event that AACS LA determines that an error was contained in AACS Keys distributed to Adopter, AACS LA shall promptly (a) notify Adopter of such fact and shall cooperate with Adopter, and provide all reasonably requested information, so as to assist Adopter in mitigating the effect of such error, and (b) issue to Adopter, without charge, replacement AACS Keys. AACS LA shall keep confidential, and not disclose to third parties, the fact that Adopter was issued erroneous AACS Keys, provided that AACS LA may disclose such information to the Founders without identifying Adopter, and provided further that AACS LA shall be relieved of such confidentiality obligation if Adopter makes such information publicly available or in any of the other circumstances described in Section 6.10. Notwithstanding anything to the contrary in this Interim Agreement, Adopter shall have the right to notify its Affiliates, customers, distributors, resellers, and other third parties who could be affected by the error, of the error. In addition, in the event that one or more Fellow Adopters receives such an erroneous AACS Key, AACS LA shall make available to such Fellow Adopters, on a pass-through basis, the benefit of any ability that AACS LA has to recover for such Fellow Adopters' losses from any third-party key generator that makes such AACS Keys under contract with AACS LA.

11. MISCELLANEOUS

- 11.1 Ownership. All Confidential and/or Highly Confidential Information, copyrights and patents, and media embodying any of the above as provided by AACCS LA to Adopter shall remain the respective property of AACCS LA, the Licensors, or their suppliers. Except as expressly provided herein, this Interim Agreement does not give Adopter any license or other rights to any information provided under this Interim Agreement.
- 11.2 Entire Agreement. Except as rights under this Agreement are affected/determined by the terms of Content Participant Agreements, this Interim Agreement, the exhibits hereto and the Specifications constitute the entire agreement between the parties with respect to the subject matter involved and supersede all prior oral or written agreements. This Interim Agreement shall not be modified except in accordance with Section 4.1 or by written agreement dated subsequent to the date of this Interim Agreement and signed by all parties.
- 11.3 Currency. All fees shall be paid to AACCS LA or to its order in United States dollars by wire transfer or such other means as AACCS LA may reasonably specify.
- 11.4 Assignment. The rights and licenses granted to Adopter by this Interim Agreement are personal to Adopter and shall not be assigned or otherwise transferred except: (1) with the written approval of AACCS LA and with respect to Necessary Claims, written approval of all of the Licensors; (2) to a corporation controlling, controlled by or under common control with Adopter; or (3) to the purchaser of all or substantially all of the outstanding capital stock or assets and obligations of Adopter or of all or substantially all of the outstanding capital stock or assets and obligations of the business unit of Adopter that is making use of the Confidential and/or Highly Confidential Information in its business activities or the surviving entity in a merger, reorganization, or other business combination; provided written notice of such assignment has been provided in advance to AACCS LA and the surviving or acquiring company has agreed in writing to be bound by the terms of this Interim Agreement. Subject to the limitations set forth in this Interim Agreement, this Interim Agreement shall inure to the benefit of and be binding upon the parties, their successors and permitted assigns. AACCS LA or Licensors may assign or transfer this Interim Agreement to any person or entity that agrees to assume the transferor's obligations hereunder, and AACCS LA shall provide Adopter with written notice of such assignment or transfer. Any transfer by Adopter to a third party of a patent having Necessary Claims shall be subject to the Adopter's existing obligations, if any, under this Interim Agreement. The inclusion in any agreement for assigning a Necessary Claim(s), of a provision that such assignment is subject to existing licenses and obligations to license imposed on the Adopter by the agreement with AACCS LA shall be sufficient to comply with this Section.

- 11.5 Presumptions. In construing the terms of this Interim Agreement, no presumption shall operate in any Party's favor as a result of its counsel's role in drafting the terms or provisions hereof.
- 11.6 Governing Law. THIS INTERIM AGREEMENT, AND ALL THIRD PARTY BENEFICIARY CLAIMS BROUGHT PURSUANT TO IT, SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, THE U.S.A., APPLICABLE TO AGREEMENTS MADE AND TO BE PERFORMED ENTIRELY IN SUCH STATE.
- 11.7 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 INTERIM AGREEMENT, EACH PARTY IRREVOCABLY CONSENTS TO: (1) THE EXCLUSIVE JURISDICTION AND VENUE IN THE FEDERAL AND STATE COURTS LOCATED IN THE COUNTY OF NEW YORK, N.Y., THE U.S.A., EXCEPT THAT ADOPTER, IF IT HAS A PLACE OF BUSINESS IN CALIFORNIA, MAY BRING THIRD PARTY BENEFICIARY CLAIMS PURSUANT TO SECTION 9.8 IN CALIFORNIA, AND WITH RESPECT TO THIRD PARTY BENEFICIARY CLAIMS, ADOPTER CONSENTS TO JURISDICTION AND VENUE IN THE FEDERAL AND STATE COURTS LOCATED IN THE COUNTY OF LOS ANGELES, CALIFORNIA; AND (2) THE SERVICE OF PROCESS OF SAID COURTS IN ANY MATTER RELATING TO THIS INTERIM AGREEMENT BY PERSONAL DELIVERY BY OVERNIGHT MAIL OR INTERNATIONAL COURIER, WHICH REQUIRES SIGNING ON RECEIPT, POSTAGE PREPAID, TO THE PARTIES AT THE ADDRESS SPECIFIED IN THIS INTERIM AGREEMENT, OR TO THE AGENT TO BE APPOINTED PURSUANT TO SECTION 11.8 BELOW. THE PARTIES AGREE TO WAIVE A JURY TRIAL ON ANY ACTION ARISING OUT OF OR RELATING TO THIS INTERIM AGREEMENT.
- 11.8 Agent. ADOPTER SHALL APPOINT AGENTS IN THE STATES OF NEW YORK AND CALIFORNIA FOR ACCEPTANCE OF SERVICE OF PROCESS PROVIDED FOR UNDER THIS INTERIM AGREEMENT AND SHALL NOTIFY AACS LA OF THE IDENTITY AND ADDRESS OF SUCH AGENT WITHIN THIRTY (30) DAYS AFTER THE EFFECTIVE DATE.
- 11.9 Notice. Any notice required to be given under this Interim Agreement shall be in writing and shall be by overnight mail or international courier, which requires signing on receipt, postage prepaid, to the parties at the address specified in this Interim Agreement. Such notices shall be deemed served

when received by addressee or, if delivery is not accomplished by reason of some fault of the addressee, when tendered for delivery. Any Party may give written notice of a change of address and, after notice of such change has been received, any notice or request shall thereafter be given to such Party at such changed address. For the avoidance of doubt, invoices under this Interim Agreement may be delivered by email or regular mail to such address as is designated by Adopter.

11.10 Severability; Waiver. Should any part of this Interim Agreement judicially be declared to be invalid, unenforceable, or void, the parties agree that the part or parts of this Interim Agreement 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 any of the parties hereto of any of the covenants or promises to be performed by the other parties or any breach thereof 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.

11.11 Election of License Category and Identification of Affiliates And Subcontractors. Upon execution of this Interim Agreement, Adopter shall elect to become an evaluation licensee and/or a production licensee, by completing the initial election requirements on Exhibit A. Subsequent to execution of this Interim Agreement, Adopter who has chosen to enter one license may enter a second license by submitting a revised Exhibit A which shall become a binding part of this Interim Agreement upon receipt by AACCS LA. Adopter shall provide AACCS LA with advance written notice of (i) any Affiliate that will exercise license rights under Adopter's election under Exhibit A based on its status as an Affiliate of Adopter; (ii) any party that will act as a permitted have designed or have made subcontractor to Adopter or any of its Affiliates under Adopter's election under Exhibit A; and (iii) whether Adopter or any of its Affiliates, or any party under (i) or (ii) above, will be a Licensed Content Producer.

Remainder of this page intentionally left blank.

SO AGREED AS OF THE DATE FIRST ABOVE WRITTEN.

This Interim Agreement may be executed in multiple counterparts.

AACS LA:

Adopter:

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Addresses for notices

AACS LA LLC:
c/o AACS Administration
3855 SW 153rd Drive
Beaverton, Oregon 97006 USA

Adopter:

Adopter and the Licensors agree and acknowledge that the Adopter's and Licensors' sole rights, obligations and liabilities towards each other under this Interim Agreement shall be as expressly set forth in the Agreement, and that the parties below are parties to the Agreement solely with respect to such express provisions.

Intel GF Inc.
2200 Mission College Boulevard
Santa Clara, California 95052 USA

International Business Machines Corp.
New Orchard Road
Armonk, New York 10504 USA

By: _____

By: _____

Name: _____

Name: _____

Title: Attorney-in-fact

Title: Attorney-in-fact

Date: _____

Date: _____

Panasonic Intellectual Property
Corporation of America
1 Panasonic Way
Secaucus, New Jersey 07094 USA

Microsoft Corporation
1 Microsoft Way
Redmond, Washington, 98052 USA

By: _____

By: _____

Name: _____

Name: _____

Title: Attorney-in-fact

Title: Attorney-in-fact

Date: _____

Date: _____

Signatures continued on following page

SCA IPLA Holdings, Inc. (Sony)
550 Madison Avenue, 27th Floor
New York, New York 10022 USA

By: _____

Name: _____

Title: Attorney-in-fact

Date: _____

Disney Technology Operations
and Licensing
500 S. Buena Vista St.
Burbank, California 91521 USA

By: _____

Name: _____

Title: Attorney-in-fact

Date: _____

Toshiba America Information Systems, Inc.
9740 Irvine Boulevard
Irvine, California 92618 USA

By: _____

Name: _____

Title: Attorney-in-fact

Date: _____

Warner Bros. Entertainment, Inc.
4000 Warner Boulevard
Los Angeles, California 91522 USA

By: _____

Name: _____

Title: Attorney-in-fact

Date: _____

Remainder of this page intentionally left blank.

EXHIBIT A

Evaluation/Production License Election

Evaluation License. Adopter elects to become an evaluation licensee, pursuant to Section 2.2 and agrees to comply with all applicable terms and conditions of this Interim Agreement. Adopter's election shall be effective by checking the applicable box(es) below upon execution of this Interim Agreement.

Initial Election: Adopter elects, upon execution of this Interim Agreement, the evaluation license pursuant to Section 2.2.

Revised Election: Adopter elects, subsequent to execution of this Interim Agreement, the evaluation license pursuant to Section 2.2.

Adopter authorized representative signature: _____

AACS LA confirmation signature: _____

Date of AACS LA confirmation of election: _____

Production License. Adopter elects to become an production licensee, pursuant to Section 2.2 and agrees to comply with all applicable terms and conditions of this Interim Agreement.. Adopter's election shall be effective by checking the applicable box(es) below upon execution of this Interim Agreement.

Initial Election: Adopter elects, upon execution of this Interim Agreement, the production license pursuant to Section 2.3.

Revised Election: Adopter elects, subsequent to execution of this Interim Agreement, the production license pursuant to Section 2.3.

Adopter Specify category(ies): Player Mfr. Recorder Mfr.

Drive Mfr. Component Mfr. Media Mfr.

Adopter's Affiliate(s) identified as follows:

Licensed Content Producer

Adopter authorized representative signature: _____

AACS LA confirmation signature: _____

Date of AACS LA confirmation of election: _____

EXHIBIT B

Fees

1. Annual Administrative Fees. As provided in Section 5 of this Interim Agreement, administrative fees are used to offset the costs associated with the AACS LA's administration of the AACS Technology. As a result, the administrative fees may vary in subsequent years due to an increase or decrease in AACS LA's administrative costs.

AACS Adopter (Evaluation and/or Production) US\$ 25,000.00

Includes one of the following sub-categories

Add US\$ 5,000.00 for each additional sub-category:

- Player Manufacturer
- Recorder Manufacturer
- Drive Manufacturer
- Component Manufacturer
- Media Manufacturer

AACS Licensed Content Producer US\$ 15,000.00

Note: The maximum annual administrative fee for an Adopter selecting multiple categories is US\$ 40,000.00. Content Participant and Content Provider administrative fees are part of a separate license agreement and fee schedule. Content Participant and Content Provider administrative fees, or any other administrative fees not listed above, are not combinable with Adopter administrative fees in order to reach the US\$ 40,000.00 "cap" pursuant to the previous sentence.

2. Withholding from Payments

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 AACS LA in a timely manner evidence of such withholding adequate to permit AACS LA and/or the Licensors to claim relevant tax credits under applicable treaties. Adopter assumes full responsibility for remitting such withholding to the proper authority.

3. Routing of Orders and Payments

All fees shall be paid to AACSLA or to its order in United States dollars by wire transfer or such other means as AACSLA may reasonably specify.

Key orders shall be directed to:

AACSLA, LLC
c/o AACSLA Administration
3855 SW 153rd Drive
Beaverton, OR 97006 USA
Tel.: +1-503- 619-0863
Fax: +1-503- 644-6708
Email (orders only): orders@aacsla.com
Email (all other issues): admin@aacsla.com

AACSLA shall provide wire transfer directions with each invoice, or upon request by Adopter.

4. Recordkeeping and Audits

Adopter will be invoiced for fees at the time its order is received. All fees are due and payable prior to shipment of orders.

AACSLA shall have the right to audit Adopter's records as provided in the applicable Adopter Agreements for purposes of determining sufficiency of any payments hereunder.

5. Order Fulfillment Fees

Order Fulfillment Fees offset the costs associated with generating key orders, and are passed through directly from the AACSLA Key Generation Facility service provider.

Even if submitted at the same time, each request for keys of a particular category or type will be considered a separate "order", and therefore subject to a separate Order Fulfillment Fee.

Optical Media Fees

Optical Disc Unit Fees for Media

AACS for prerecorded media	US\$ 0.04 per disc (unless Licensed Content Producer contracts with Content Participant/Provider, in which case fees are determined by Content Participant/Provider Agreement).
AACS for recordable media	US\$ 0.02 per recordable disc
Order Fulfillment Fee:	US\$ 1,000.00 per order.

AACS for prerecorded media orders shall be limited to a maximum of one-hundred (100) MKBs. Fees for recordable media are on a per-media basis, available in one (1) unit increments. A maximum of one-hundred (100) MKBs can be ordered at one time. When ordering MKBs, a manufacturer shall only order sufficient MKBs to cover anticipated recordable media production for the three-month period subsequent to the fulfillment of the order. In the event that production in the given three-month period is lower than anticipated, no more than one (1) order (*i.e.*, 1 MKB) may be carried over for use in the next three-month cycle.

Unit Fees for Devices

1. Fees for AACS Compliant Devices, whether implemented in hardware or software, and including such devices as players, recorders and player/recorders.

The Type C Device Keys fees may be applied across multiple of Adopter's product lines.

	Type A Device Keys (Enhanced Robustness)	Type C Device Keys (Proactive Renewal)
AACS Device with ECDSA*	US\$ 0.10 per device	US\$ 3,500.00 for up to 100K copies per year US\$ 12,000.00 for up to 1M copies per year US\$ 30,000.00 for up to 10M copies per year US\$ 60,000.00 cap per year
AACS Device without ECDSA*	US\$ 0.08 per device	US\$ 3,000.00 for up to 100K copies per year US\$ 10,000.00 for up to 1M copies per year US\$ 25,000.00 for up to 10M copies per year US\$ 50,000.00 cap per year

* ECDSA is the Host Private Key and Certificate

Order Fulfillment Fee: US\$ 1000.00 per order.

Orders for Type A keys shall be limited to a maximum of 50K Device Keys per order, and a minimum of one-thousand (1000) keys per order and only in increments of one-thousand (1000) keys. Order Fulfillment Fee also applies to additional Type C keys order in any year. Orders for Type C keys shall be ten (10) keys per order maximum, and a minimum of one (1) key per order. Device Keys for each category of device identified in the above schedule must be ordered separately, and are therefore subject to separate Order Fulfillment Fees.

Type 3 MKBs for Recorders: US\$ 0.02 per device
Annual cap US\$ 2,000.00 for hardware or software implementations;
may be applied across multiple of Adopter's product lines.

Order Fulfillment Fee: US\$ 1000.00 per order

2. Accounting for Device Unit Fees

If Adopter elects Type C Device Keys, Adopter shall declare the number of copies of an application in which it anticipates using the Type C Device Keys (*e.g.*, up to 100k, or over 1M) and will be invoiced for the appropriate amount for the year.

Adopter shall file an “Actual Units Shipped” report no later than forty-five (45) days after the end of each year. If Adopter exceeds its anticipated number of copies sold based on the “Actual Units Shipped” reports, AACS LA will invoice the net difference in fees between Adopter’s originally selected category and the category applicable to the actual units shipped by Adopter, though under no circumstances will any such fees be refunded to Adopter.

Unit Fees for Drives

Fees for AACS Compliant Optical Drives

AACS Drives US\$ 0.02 per device

Order Fulfillment Fee: US\$ 1000.00 per order

Fees for Content Certificates

Fees for AACS Content Certificates

Content Certificates US\$ 500.00 per Certificate
*Note to Adopter: For multi-layer discs, only a single
Content Certificate fee will be charged.*

Order Fulfillment Fee: US\$ 800.00 per order

EXHIBIT C

CONFIDENTIALITY AGREEMENT ACKNOWLEDGMENT BY AUTHORIZED RECIPIENTS

I, _____, a full-time or part-time employee or individual independent contractor of _____, a _____ (“Adopter”), acknowledge that I have been designated by Adopter as an “Authorized Recipient” to receive on behalf of Adopter access to Highly Confidential Information of AACS LA (the “Company”), the Licensors of the Company, or another Fellow Adopter, which Authorized Recipient is obligated to maintain strictly confidential under the terms of the AACS Interim License Agreement (the “Interim Agreement”) between the Company and the Adopter. With respect to Highly Confidential Information, I acknowledge that the Interim Agreement entered into between the Company and the Adopter requires Adopter to employ procedures for safeguarding Highly Confidential Information which procedures include, at a minimum: (i) 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: (1) maintaining on Adopter’s premises a secure location in which any and all Highly Confidential Information shall be stored, where such a location may include electronic storage that is at least as secure with respect to the Highly Confidential Information as the AACS Technology is with respect to the protection of digital content; (2) that any Highly Confidential Information stored in such a location shall be accessible only by Authorized Recipients; (3) that (x) where Highly Confidential Information is stored in a location that is physically secure, Authorized Recipients visiting such location shall sign in and out each time that they visit such location; and (y) where Highly Confidential Information is stored securely in an electronic form, Authorized Recipients having access to such Highly Confidential Information shall sign in and out each time that they have such access; and (4) 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 a form that is at least as secure with respect to the Highly Confidential Information as the AACS Technology is with respect to protection of digital content. I further acknowledge that the Confidentiality Agreement defines Highly Confidential Information to include Device Keys (capitalized terms used herein as defined in the AACS Interim License Agreement).

Continued on next page.

I further acknowledge that I have signed a prior written agreement with Adopter pursuant to which I have agreed to maintain the confidentiality of third party confidential information received by Adopter. I acknowledge that I am bound by such agreement or by Adopter's policies and practices to maintain the confidentiality of Highly Confidential Information during my employment or contract period and after my employment and contract period with Adopter.

By signing below, I attest that I have read and understood this acknowledgment.

Signed: _____

Name: _____

Date: _____

cc: AACS LA, LLC

EXHIBIT D

Highly Confidential Information

In addition to those items listed on the table below, intermediate data items that are derived from such items shall also be treated as Highly Confidential Information. Examples include but are not limited to Kvu, also known as the Volume Unique Key and which is derived from the Media Key and the Volume ID as defined in the Specifications, and the random/pseudorandom number generator constants k and S, as defined in the Specifications.

0	Device Keys
1	Sequence Keys
2	Drive Private Key
3	Host Private Key
4	Media Keys
5	Title Keys
6	Algorithms described in specifications marked Confidential, including “ <i>HD-DVD and DVD Pre-recorded Book Confidential Part for CE System</i> ” and “ <i>HD-DVD and DVD Pre-recorded Book Confidential Part for PC-based System</i> ”

EXHIBIT E

AACS Audio-Visual Contributors

Comcast Corporation
Dell Inc.
Hewlett-Packard Co.
Koninklijke Philips Electronics N.V.
Metro-Goldwyn-Mayer Home Entertainment, LLC
NBC Universal, Inc.
NEC Corporation
Pioneer Corporation
Samsung Electronics Co., Ltd.
Sanyo Electric Co., Ltd.
ST Microelectronics N.V.
Thomson, Inc.
Twentieth Century Fox Film Corporation
Warner Music Group, Inc.

EXHIBIT F

Interim AACS Compliance Rules for Audiovisual Works on Optical Storage

Part 1: General and Definitions

1. Applicability and General

- ^{1.1} Part 2 Section 1 of this Exhibit applies to Licensed Players; Part 2 Section 2 applies to Licensed Recorders, Part 2 Sections 3 and 4 apply to all Licensed Products other than Licensed Content Products and AACS Recordable Media, Part 2 Section 5 applies to AACS Recordable Media and Licensed Recorders and Part 3 of this Exhibit applies to Content Participants and Content Providers.
- 1.2 Where a capitalized term is used but not defined in this Exhibit, the meaning ascribed elsewhere in this Interim Agreement and the Specifications shall apply.

2. Definitions

- 2.1 “AACS Content” shall mean Digital Entertainment Content that is encrypted in a manner compliant with the AACS Specifications and AACS Approved Licenses.
- 2.2 “AACS Drive Authentication” shall have the meaning set forth in the Specifications.
- 2.3 “AACS Flag” shall mean the setting of the Audio Watermark state designated as the AACS Flag in the applicable Audio Watermark specification, the setting of which indicates that the Consumer Mark or the Theatrical No Home Use Mark was embedded in compliance with a Content Participant/Provider Agreement, and that obligations set forth in the applicable Final Agreements requiring Licensed Players licensed thereunder to respond to the Consumer Mark or Theatrical No Home Use Mark, as the case may be, will therefore apply.
- 2.4 “AACS Recordable Media” shall mean a writeable storage media that complies with the applicable AACS Specifications including at least one of either the “AACS Blu-ray Disc Recordable Book” or the “AACS HD DVD Recordable Book”, or other recordable adaptation Specifications as may be added from time to time.
- 2.5 “Audio Watermark” shall, subject to AACS confirmation and website notification, mean the audio watermark solution described in the appropriate specification available and licensable from Verance Corporation.
- 2.6 “Constrained Image” shall mean an image having the visual equivalent of no more than 520,000 pixels per frame (e.g., an image with resolution of 960 pixels by 540

pixels for a 16:9 aspect ratio). A Constrained Image may be attained by reducing resolution, for example, by discarding, dithering, or averaging pixels to obtain the specified value. A Constrained Image can be displayed using video processing techniques such as line doubling or sharpening to improve the perceived quality of the image. By way of example, a Constrained Image may be stretched or doubled, and displayed full-screen, on a 1000-line monitor.

- 2.7 “Consumer Mark” shall mean the Audio Watermark state designated as the Consumer Mark in the applicable Audio Watermark specification for which presence indicates Digital Entertainment Content that should be encountered on optical storage media only in a trusted protected form. *Note to Adopter: Content Providers/Participants are permitted to embed this watermark state in conjunction with the AACS Flag in all distribution methods employing content protection technologies that are in an agreed upon list which will include AACS Content, and in accordance with the obligations set forth in Part 3 of these Compliance Rules and Section 5 of the Interim Content Participant Agreement or the equivalent Section of the Interim Content Provider Agreement as applicable.*
- 2.8 “Content Protection Requirements” shall mean, with respect to a Licensed Product, the applicable content protection requirements of AACS set forth in the Specifications and Compliance Rules, including but not limited to the content protection technologies, , output protections, output restrictions, recording protections, recording limitations, and the triggering of analog protection systems.
- 2.9 “Decrypted AACS Content” shall mean, with respect to a Licensed Product, AACS Content that such product has decrypted using AACS Technology but whose control and/or protection obligations have not been passed to an output permitted by these Compliance Rules.
- 2.10 “Digital Only Token” shall mean the field or bits, as described in the Specification, used to trigger the output of Decrypted AACS Content to only digital outputs. *Note to Interim Adopter: The Digital Only Token cannot be set during the Interim Agreement but Interim Adopter must build in ability to detect and enforce in accordance with the Specifications. This capability will become relevant for responding to Licensed Content Products issued under the applicable Final Agreements, which may have the Digital Only Token set in accordance with the terms of those agreements.*
- 2.11 “Final Agreements” shall mean one or more of the following: the Adopter Agreement, Content Participant Agreement and Content Provider Agreement, in each case other than where designated by AACS LA as an “interim” agreement.
- 2.12 “Image Constraint Token” shall mean the field or bits, as described in the Specification, used to trigger a Constrained Image as set forth in these Compliance Rules. *Note: Content Participants and Content Providers are permitted to set the*

Image Constraint Token for AACCS Content only according to the rules set out in Part 3 Section 1.6 of these Compliance Rules.

- 2.13 “Full Managed Copy” shall mean a Managed Copy that makes available the same resolution and function, including but not limited to, the same user experience, menu and features of the Digital Entertainment Content on a Licensed Content Product.
- 2.14 “Licensed Drive” shall mean a Licensed Product that retrieves AACCS Content from optical media and implements AACCS Drive Authentication and is not a Licensed Player.
- 2.15 “Licensed Player” shall mean a Licensed Product that is able to playback AACCS Content.
- 2.16 “Licensed Recorder” shall mean a Licensed Product that is capable of writing AACCS Content onto AACCS Recordable Media.
- 2.17 “Managed Copy” shall mean a copy of AACCS Content that is authorized through an online transaction in accordance with the applicable Final Agreements and Chapter 5 of the AACCS Pre-recorded Video Book in conjunction with applicable format specific books of the Specifications.
- 2.18 “Proactive Renewal” shall mean that Adopter puts in place mechanisms that seek to replace the Device Key Set in a Licensed Product through a Periodic Update at least once every eighteen months, provided that such mechanisms are not required to ensure that every Licensed Product has its Device Key Set replaced within eighteen months, given that AACCS shall automatically Expire such Device Key Sets according to the terms of the Adopter Agreement. *Note to Adopter: Mechanisms for carrying out proactive renewal that are not timely will result in a negative consumer experience if Device Key Sets are Expired before they are replaced, resulting in a failure of the Licensed Product to play back AACCS Content.*
- 2.19 “Theatrical No Home Use Mark” shall mean the Audio Watermark state designated as the Theatrical No Home Use Mark in the applicable Audio Watermark specification, for which presence indicates theatrical-release content that should not be encountered in a consumer (i.e., non-theater) environment. *Note to Adopter: Content Participants and Content Providers are permitted to embed this watermark state in conjunction with the AACCS Flag in any theatrically released content, in accordance with the obligations set forth in Part 3 of these Compliance Rules and Section 5 of the Interim Content Participant Agreement or the equivalent Section of the Interim Content Provider Agreement as applicable.*
- 2.20 “Transitory Image” shall mean data that have been stored temporarily for the sole purpose of performing a function as permitted by this Interim Agreement where such data (a) does not persist materially after such function has been performed and (b) is

not stored in a way that permits copying or redistribution of the data in usable form for other purposes.

- 2.21 “User-Accessible Bus” shall mean (a) an internal analog connector that is designed and incorporated for the purpose of permitting end user upgrades or access or that otherwise readily facilitates end user access or (b) a data bus that is designed and incorporated for the purpose of permitting end user upgrades or access such as an implementation of a smartcard, PCMCIA, Cardbus, or PCI that has standard sockets or otherwise readily facilitates end user access. A “User-Accessible Bus” does not include memory buses, CPU buses, or similar portions of a device’s internal architecture that do not permit access to content in form usable by end users.

Part 2 Adopter Compliance Rules for Licensed Products

1. Licensed Player Compliance Requirements

1.1 **Applicability.** This Part 2 Section 1 is applicable to all Licensed Players as shipped.

1.2 **Transitory Image.** For the avoidance of doubt, the creation of Transitory Images is permitted and does not impact the rights associated with AACS Content.

1.3 **Analog Outputs.** A Licensed Player shall not pass, or direct to be passed Decrypted AACS Content to an analog output except:

1.3.1 An analog output of audio, or of the audio portions of other forms of Decrypted AACS Content;

1.3.2 An output delineated in Table A1, AACS Analog Authorized Outputs, in accordance with any associated restrictions and obligations specified therein.

1.4 **Digital Outputs.** A Licensed Player shall not pass, or direct to be passed Decrypted AACS Content to a digital output except:

1.4.1 A digital output of audio, or of the audio portion of other forms of Decrypted AACS Content, in compressed audio format (such as AC3) or in Linear PCM format in which the transmitted information is sampled at no more than 48 kHz and no more than 16 bits.

1.4.2 An output delineated in Table D1, AACS Authorized Digital Outputs, in accordance with any associated restrictions and obligations specified therein;

- 1.5 **Digital Copies.** A Licensed Player shall not copy or cause the copying of Decrypted AACS Content.
- 1.6 **Playback Control – Content Signing and Revocation.** Licensed Players must check for an AACS signature and respond in accordance with the Specifications.
- 1.7 **Analog Sunset.** *Note to Adopter: The applicable Final Agreements shall provide as follows with respect to all Decrypted AACS Content, (subject to potential further clarification of the meaning of “sold” in consignment distribution scenarios).*
- 1.7.1 **2010 Sunset.** *Existing Models (as defined in Section 1.7.2) may be manufactured and sold by Adopter up until December 31, 2011. For any Licensed Player (other than Existing Models) manufactured after December 31, 2010, analog outputs for Decrypted AACS Content shall be limited to SD Interlace Modes Only (i.e., Composite, S-Video, 480i component). 576i component will be addressed in the applicable Final Agreements. Notwithstanding the foregoing, Adopter may continue to manufacture and sell an Existing Model in which the implementation of AACS Technology is a Robust Inactive Product after December 31, 2010 provided that when such Robust Inactive Product is activated through a Periodic Update, such Periodic Update results in a Licensed Product that limits analog outputs to SD Interlace Modes Only.*
- 1.7.2 **“Existing Model”** means: *(i) a product, including without limitation a device, into which a Licensed Player is integrated, all aspects of which are exactly the same in all respects (including branding and consumer model number indication assigned to such integrated device), as any product manufactured and sold prior to December 31, 2010; or (ii) a software Licensed Player, all aspects of which are exactly the same in all respects (including branding and version number) as any software Licensed Player manufactured prior to December 31, 2010; provided, that changes to a product made solely (w) to comply with the Compliance Rules, (x) to implement changes solely of Device Key Sets, (y) to implement security patches (z) to implement bug fixes of failures of a product to operate in accordance with such product’s pre-existing product specification, shall be permitted.*
- 1.7.3 **2013 Sunset.** *No Licensed Player that passes Decrypted AACS Content to analog outputs may be manufactured or sold by Adopter after December 31, 2013.*

2. Licensed Recorder Compliance Requirements

- 2.1 **Generally.** Licensed Recorders shall not use the AACS Technology to protect copies of content other than content received via a method contained on Table X, as set forth in more detail below.
- 2.2 **Protected Inputs.** With respect to the recording using the AACS Technology of content received via a method contained on Table X, note that the Licensed Recorder follows the content protection requirements of such method in determining copy permission and selecting the CGMS, APSTB, ICT, and Digital Only Token field settings of any authorized copy made using the AACS Technology. In making a copy using the AACS Technology from content received through a method contained on Table X, a Licensed Recorder shall set the Trusted Input Bit to indicate that the source is trusted as provided in the Specifications.
- 2.3 **Transitory Image.** This section does not impose restrictions regarding storage of content as a Transitory Image.

3 Licensed Product Robustness Rules

- 3.1 **Applicability.** This Part 2 Section 3 is applicable to all Licensed Products, other than Licensed Content Products and AACS Recordable Media, as shipped. All subsequent references to Licensed Product in this Section shall be read to mean Licensed Products, excluding Licensed Content Products and AACS Recordable Media.
- 3.2 **Construction – Generally.** Licensed Products shall be manufactured in a manner clearly designed to effectively frustrate attempts to modify such Licensed Products or the performance of such Licensed Products to defeat the Content Protection Requirements.
- 3.3 **Construction – Defeating Functions.** Licensed Products shall not include: (a) switches, buttons, jumpers or software equivalents thereof, (b) specific traces (electrical connections) that can be cut, or (c) functions (including service menus and remote-control functions), in each case by which the Content Protection Requirements can be defeated, or by which compressed Decrypted AACS Content in such Licensed Products can be exposed to output, interception, retransmission or copying, in each case other than as permitted under this Interim Agreement.
- 3.4 **Construction – Keep Secrets and Maintain Integrity.** Licensed Products shall be manufactured in a manner that is clearly designed to effectively frustrate attempts to (a) discover or reveal Device Keys and other values identified as Secrecy Required in Appendix 1, and (b) cause such products to use values identified in Appendix 1 as Integrity Required after unauthorized modification of such values occurs. Licensed

Products shall not use Secrecy Required or Integrity Required values for purposes other than those defined by AACS in the Specifications and Approved Licenses.

- 3.4.1 **Enhanced Security.** In addition to the requirement of 3.4(a) above, confidentiality of Device Keys shall be protected via (a) implementation of Proactive Renewal or (b) a method that is clearly designed to prevent attempts to discover or reveal such values solely using electronically distributable means.

3.5 **Data Paths.** Decrypted AACS Content shall not be available on outputs other than those specified in the Compliance Rules.

- 3.5.1 **Video Portion.** Within a Licensed Product, the video portion of Decrypted AACS Content shall not be present on any User-Accessible Bus in analog or unencrypted, compressed form. Licensed Products shall be clearly designed such that when the video portion of uncompressed Decrypted AACS Content is transmitted over a User-Accessible Bus in digital form, such Decrypted AACS Content is either limited to Constrained Image or made reasonably secure from unauthorized interception. *Note to Adopter: When AACS determines that it is commercially reasonable, AACS LA will amend the Compliance Rules to require the video portion of all Decrypted AACS Content, whether compressed or de-compressed and irrespective of resolution, to be protected on and across user-accessible buses, subject to the compliance periods set forth in Section 3.2 of the Adopter Agreement.*

- 3.5.2 Clause (a) in the definition of User-Accessible Bus should be interpreted and applied so as to allow Adopter to design and manufacture its products to incorporate means, such as test points, that provide access to video at no higher resolution than that available to analog outputs on the device, 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 (a) in the definition of User-Accessible Bus, 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.

3.6 **Method of Making Functions Robust.** Licensed Products shall be manufactured using at least the following techniques in a manner that is clearly designed to effectively frustrate attempts to defeat the requirements set forth below.

- 3.6.1 **Distribution of Decryption and Decoding Functions.** In a Licensed Product, where the video portion of Decrypted AACCS Content is delivered from one part of the Licensed Product to another, whether among integrated circuits, software modules, or otherwise or a combination thereof, the portions of the Licensed Product that perform authentication and decryption and the MPEG (or similar) decoder shall be designed and manufactured in a manner associated and otherwise integrated with each other such that the video portion of Decrypted AACCS Content in any usable form flowing between these portions of the Licensed Product shall be reasonably secure from being intercepted or copied except as authorized by the Compliance Rules.
- 3.6.2 **Software.** Any portion of the Licensed Product that implements any of the Content Protection Requirements to the extent contained in the Specification rather than the Compliance Rules in Software shall include all of the characteristics set forth in Sections 3.2 through 3.5 above. For the purposes of these Robustness Rules, “Software” shall mean the implementation of Content Protection Requirements through any computer program code consisting of instructions or data, other than such instructions or data that are included in Hardware. Such implementations shall:
- 3.6.2.1 Comply with Section 3.4 above by a reasonable method including but not limited to: encryption, execution of a portion of the implementation in ring zero or supervisor mode (i.e., in kernel mode), and/or embodiment in a secure physical implementation, provided further that maintaining confidentiality of Device Keys pursuant to 3.4.1(b) shall be implemented by a reasonable method that effectively and uniquely associates those values with a single device (such as by encrypting the values using a key that is unique to a single device) and that effectively isolates those values from exposure by mere use of programming instructions or data (e.g., by using the values only inside a secure processor); 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.
 - 3.6.2.2 Be designed so as to perform or ensure 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 3.2 through 3.5 above. This provision requires at a minimum the use of “signed

code” or a robust means of runtime integrity checking operating throughout the code. For the purpose of this provision, “signed code” means a method of achieving trusted distribution of Software by using public key cryptography, keyed hash, or other means at least as effective, to form a digital signature over Software such that its authenticity and integrity can be verified.

3.6.3 **Hardware.** Any portion of the Licensed Product that implements any of the Content Protection Requirements to the extent contained in the Specification rather than the Compliance Rules in Hardware shall include all of the characteristics set forth in Sections 3.2 through 3.5 above. For the purposes of these Robustness Rules, “Hardware” shall mean a physical device or component, that implements Content Protection Requirements and that (i) does not include instructions or data other than such instructions or data that are permanently embedded in such device or component; or (ii) includes instructions or data, e.g. firmware instructions or data that are not permanently embedded in such device or component where such instructions or data are specific to such Licensed Product or Licensed Component and are not accessible to the end user through the Licensed Product or Licensed Component. Such implementations shall:

3.6.3.1 Comply with Section 3.4 above by any reasonable method including but not limited to embedding Device Keys in silicon circuitry or firmware that cannot reasonably be read, or employing the techniques described above for Software, provided further that maintaining confidentiality of Device Keys pursuant to 3.4.1(b) shall be implemented by a reasonable method that effectively and uniquely associates those values with a single device (such as by encrypting the values using a key that is unique to a single device) and that effectively isolates those values from exposure by mere use of programming instructions or data (e.g., by using the values only inside a secure processor).

3.6.3.2 Be designed such that attempts to remove, replace, or reprogram Hardware elements in a way that would compromise the Content Protection Requirements of AACS in Licensed Products would pose a serious risk of rendering the Licensed Product unable to receive, decrypt, or decode AACS Content. By way of example, (i) a component that is soldered rather than socketed, or affixed with epoxy, or (ii) checking a signature on updateable firmware within a secure boot loader may be appropriate for this means.

3.6.4 **Hybrid.** The Hardware and Software portions of a Licensed Product shall be designed and manufactured in a manner associated and otherwise integrated with each other such 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 that would be provided by a pure Software implementation.

3.6.5 Level of Protection – Core Functions. “Core Functions” of AACCS include encryption, decryption, authentication, maintaining confidentiality of Secrecy Required Values and integrity of Integrity Required Values, and preventing exposure of the video portions of compressed, Decrypted AACCS Content. The Core Functions of AACCS shall be implemented in a reasonable method so that they:

3.6.5.1 Cannot be defeated or circumvented merely by using general-purpose tools or equipment that are widely available 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 EEPROM 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 AACCS ("Circumvention Devices"); and

3.6.5.2 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 3.6.5.1 such as would be used primarily by persons of professional skill and training, but not including professional tools or equipment that are made available only on the basis of a non-disclosure agreement or Circumvention Devices.

3.6.6 Level of Protection – User-Accessible Busses. The requirement of Section 3.5 regarding the video portions of uncompressed Decrypted AACCS Content transmitted over a User-Accessible Bus in digital form shall be implemented in a reasonable method that is difficult to defeat or circumvent by the use of Widely Available Tools or Specialized Tools, not including Circumvention Devices, as those capitalized terms are defined in 3.6.5.1. In the foregoing, the level of difficulty applicable to Widely Available Tools is such that a typical consumer should not be able to use such tools, with or without instruction, to intercept the video portions of such Decrypted AACCS Content without risk of serious damage to the product.

- 3.6.7 **Level of Protection –Unprotected Outputs.** Delivery of the video portions of such Decrypted AACS Content to the functions described in Part 2, Section 1.3 and 1.4.1 shall be implemented in a reasonable method that is intended to make such functions difficult to defeat or circumvent by the use of Widely Available Tools, not including Circumvention Devices or Specialized Tools as defined in Section 3.6.5.1.
- 3.6.8 **Level of Protection - Handling of Volume ID, Media ID, Binding Nonce and PMSN.** In a Licensed Player that does not implement AACS Drive Authentication, the portion of such Licensed Player that retrieves AACS Content from the optical media and the portion of such Licensed Player that performs the AACS decryption function shall be designed and manufactured in a manner associated and otherwise integrated with each other such that the Volume ID, Media ID, Binding Nonce and PMSN (as those terms are defined in the Specifications) flowing between them are reasonably secure from modification.
- 3.6.9 **Level of Protection - KCD.** In a Licensed Player that utilizes KCD (as that term is defined in the Specifications), the portion of such Licensed Product that retrieves AACS Content from the optical media and the portion of such Licensed Player that performs the AACS decryption function shall be designed and manufactured in a manner associated and otherwise integrated with each other such that when KCD flows between them it is reasonably secure from discovery. Licensed Drives shall not provide access to KCD, except where Adopter implements means in such drives that are designed to enable access to KCD solely within Adopter's Licensed Player compliant with the immediately previous sentence.
- 3.6.10 **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 Licensed Product to fail to comply with these Robustness Rules (“New Circumstances”). If 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, provided however that Adopter may continue to distribute Robust Inactive Products under the terms and conditions applicable under Section 6.2.2 of the Interim Adopter Agreement as if the date of Notice were instead the date of termination or expiration. *Note to Adopter: For the avoidance of doubt, nothing in this Section extends the period of Adopter’s licenses under the Interim Adopter Agreement. However, it may limit the period*

during which Adopter may sell a particular model under a Final Adopter Agreement as contemplated under Section 6.1.2.1 of the Interim Adopter Agreement.

4 Requirements for Shared Keys

4.1 Proactive Renewal. Adopter shall implement Proactive Renewal for all Licensed Products containing shared Device Key Sets. A Licensed Product may only elect to use Proactive Renewal if:

4.1.1 The Licensed Product is capable of receiving Periodic Updates, including after a shared Device Key Set has been Expired in accordance with Section [9] of the Adopter Agreement. If an instance of a Licensed Product has had its Device Key Set Expired before successful Proactive Renewal, Adopter may thereafter deliver to such Licensed Product a Periodic Update that replaces the Device Key Set.

4.2 Shared Keys. For Licensed Products containing shared Device Key Sets, Adopter shall order and use only Device Key Sets designated by AACS as “Type C”.

5 Requirements for AACS Recordable Media and Licensed Recorders

5.1 Applicability. This Part 2 Section 5 applies to the manufacture of AACS Recordable Media and Licensed Recorders.

5.2 The MKB incorporated into AACS Recordable Media manufactured by Adopter into which said Adopter is required to incorporate a given MKB shall not be used in more than one glass master. *Note: AACS LA anticipates including in the applicable Final Agreements additional restrictions regarding the number of pieces of media that may be manufactured using an Expired MKB.*

5.3 The MKB that is being incorporated into Licensed Recorders manufactured by Adopter that are not capable of updating the incorporated MKB shall be changed every three (3) months. The MKB that is being incorporated into Licensed Recorders manufactured by Adopter that are capable of updating the incorporated MKB shall either (a) not be reused in more than one product model or (b) be changed every three (3) months.

5.4 AACS LA reserves the right to change the required frequency of updates and number of units of media or recording devices into which an MKB may be incorporated as relevant changes in environmental conditions, including but not

limited to security concerns, changes in manufacturing processes, or production volumes warrant

Part 3: Compliance Rules for Content Providers/Participants and Licensed Content Producers

1 Requirements for Prerecorded AACS Content

- 1.1. **Applicability.** This Part 3 Section 1 is applicable to all Content Participants, Content Providers and Licensed Content Producers making Licensed Content Products with respect to use of AACS to protect prerecorded content.
- 1.2. **Digital Only Token.** A Licensed Content Producer making Licensed Content Products shall not embed the Digital Only Token, and Content Participants/Providers shall not direct Licensed Content Producers to embed the Digital Only Token in Licensed Content Products. *Note: Content Participants and Providers will be able to direct Licensed Content Producers to embed the Digital Only Token under certain conditions under the Final Content Participant and Final Content Provider Agreements.*
- 1.3. **Managed Copy.** A Content Participant/Provider shall not authorize the making of a Managed Copy or Full Managed Copy of AACS Content prior to signing the applicable Final Agreement.
- 1.4. **Watermark Embedding - Content Participant/Provider.** Content Participants/Providers and Licensed Content Producers shall not embed or have embedded the AACS Flag except as follows:
 - 1.4.1. **Theatrical No Home Use Mark.** Content Participant/Provider may, at its option, embed, or have embedded, the Theatrical No Home Use Mark in conjunction with setting the AACS Flag in theatrically released audio visual Digital Entertainment Content in conformance with the applicable Audio Watermark license agreement and AACS Content Participant/Content Provider Agreement.
 - 1.4.2. **Consumer Mark.** Content Participant/Provider may, at its option, have embedded the Consumer Mark in conjunction with setting the AACS Flag in AACS Content in Licensed Content Products in conformance with the applicable AACS Approved License and the applicable Audio Watermark license agreement.

1.5. Watermark Embedding - Licensed Content Producer. A Licensed Content Producer making Licensed Content Products may not set the AACCS Flag in Licensed Content Products except pursuant to written direction to do so from a Content Participant/Provider.

1.6. Image Constraint Token.

1.6.1. A Licensed Content Producer making Licensed Content Products shall not embed the Image Constraint Token except pursuant to written direction to do so from a Content Participant/Provider.

1.6.2. Content Participants/Providers shall not, prior to December 31, 2010, direct Licensed Content Producers to embed the Image Constraint Token in Licensed Content Products offered at retail in a country in which there was a government or quasi-government regulation or equivalent prohibiting the use of an Image Constraint Token, or equivalent, for scrambled or encrypted content as of November 30, 2005.

TABLE A1

AACCS Authorized Analog Outputs

Notes: Table A1 may be amended by AACCS LA from time to time consistent with the Interim Content Participant/Provider Agreement. There is no requirement during the term of the Interim Adopter Agreement for any analog output to respond to the APS2 bits, but Adopter should be aware this will likely change in the applicable Final Agreements.

AACCS Authorized Analog Outputs	Associated Restrictions and Obligations
<p>Computer Monitor Outputs:</p> <p>VGA, SVGA (800X600 and greater), XGA (1024X768), SXGA, and UXGA or similar computer video outputs, that are widely implemented as of June 1, 2004.</p>	<p>Subject to the sunset requirements set forth in Sections 1.7.1 and 1.7.3 of Part 2 of these Compliance Rules, a Licensed Product that is incorporated into a computer product may pass Decrypted AACCS Content for which the Digital Only Token was not set to these outputs. If the Image Constraint Token is set for such content, it must be passed as a Constrained Image.</p>
<p>Component Video Outputs</p> <p>Standard Definition and High Definition</p>	<p>Subject to the sunset requirements set forth in Sections 1.7.1 and 1.7.3 of Part 2 of these Compliance Rules, a Licensed Product may pass Decrypted AACCS Content for which the Digital Only Token was not set to these outputs provided that such Licensed Product:</p> <ul style="list-style-type: none"> (a) passes such content as a Constrained Image if the Image Constraint Token is asserted; and (b) supports Macrovision Analog Protection System (“APS”) and applies to the output Macrovision in accordance with the APS1 settings if APS1 is selected; and (c) applies to the output CGMS-A/Copyright information, APS/APS trigger bits and where indicated, Redistribution Control Descriptor (“RCD”)/Redistribution Control Information (“RCI”) where specified below with a setting that corresponds to the setting of the CCI field and APSTB ; <p>in the case of (b) and (c) above as further set forth for each output in the details below.</p>

	<p>AACS LA may amend certain of these obligations, or specify alternative means to comply, if AACS LA finds that the required technologies are not available on fair, reasonable and nondiscriminatory terms.</p> <p>480i YUV, YPbPr or Y,R-Y,B-Y component: Macrovision: The Automatic Gain Control copy control system (specified in the document entitled “Specifications of the Macrovision Copy Protection Process for DVD Products, Revision 7.1.D1, (September 30, 1999)” or “Specifications of the Macrovision Copy Protection Process, Revision 7.2.H1, (October 3, 2005)”), triggered according to the requirements above.</p> <p>CGMS-A, APS/APS trigger bits and RCD:</p> <ul style="list-style-type: none"> (i) CGMS-A and APS trigger bits signaling on Lines 20 and 283 according to IEC 61880:1998 <p>AND</p> <ul style="list-style-type: none"> (ii) CGMS-A and APS signaling on line 21 of field 2 (Line 284) according to CEA-608-C, where the repetition rate for the CGMS-A and APS should be no less than once every 10 seconds for Line 284 signaling <p>AND in devices using chips with part numbers having a date of first commercial availability after October 1, 2007,</p> <ul style="list-style-type: none"> (iii) RCD signaling on Line 21 of field 2 (Line 284) according to CEA-608-C, where the repetition rate for the RCD should same as for CGMS-A <p>480p YUV, YPbPr or Y,R-Y,B-Y component: Macrovision: The Automatic Gain Control</p>
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	<p>copy control system (specified in the document entitled “Specifications of the Macrovision AGC Copy Protection Waveforms for Products with 525p (480p) Progressive Scan Outputs, Revision 1.2 (February 24, 2003)”), triggered according to the requirements above;</p> <p>CGMS-A, APS/APS trigger bit and RCI:</p> <ul style="list-style-type: none"> (i) CGMS-A and APS trigger bit signaling on Line 41 according to IEC 61880-2:2002 <p>AND in devices using chips with part numbers having a date of first commercial availability after October 1, 2007</p> <ul style="list-style-type: none"> (ii) CGMS-A, APS and RCI signaling on Line 40 for Type B according to CEA-805-B <p>576i Component YUV, YPbPr and Y,R-Y,B-Y:</p> <p>Macrovision: The Automatic Gain Control and Colorstripe copy control systems (specified in the document entitled “Specifications of the Macrovision Copy Protection Process for DVD Products, Revision 7.1.D1, (September 30, 1999)” or “Specifications of the Macrovision Copy Protection Process, Revision 7.2.H1 (October 3, 2005)”), triggered according to the requirements above;</p> <p>Copyright information:</p> <ul style="list-style-type: none"> (i) Line 23 according to ETSI EN 300 294 <p>AND</p> <ul style="list-style-type: none"> (ii) For such devices using a SCART connector, the SCART connector must be configured so that the RGB signal carried by that connector must always be accompanied by a composite
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	<p>signal and that composite signal must provide the only synchronization for the RGB signal. RGB analog video outputs shall only be allowed as permitted herein.</p> <p>576p YUV, YPbPr or Y,R-Y,B-Y component:</p> <p>Macrovision: The Automatic Gain Control copy control systems (specified in the document entitled “Specification of the Macrovision AGC Copy Protection Waveforms for Products with 525p and/or 625p YPbPr Progressive Scan Outputs, Revision 1.2 (February 24, 2003)”), triggered according to the requirements above;</p> <p>Copyright information:</p> <ul style="list-style-type: none"> (i) Line 43 according to IEC 62375-2004 <p>AND</p> <ul style="list-style-type: none"> (ii) For such devices using a SCART connector, the SCART connector must be configured so that the RGB signal carried by that connector must always be accompanied by a composite signal and that composite signal must provide the only synchronization for the RGB signal. RGB analog video outputs shall only be allowed as permitted herein. <p>720p YUV, YPbPr or Y,R-Y,B-Y component:</p> <p>CGMS-A, APS/APS trigger bits and RCI:</p> <ul style="list-style-type: none"> (i) CGMS-A, APS trigger bits signaling on Line 24 of 720p according to JEITA EIAJ CPR
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	<p>1204-2 complemented by bit assignment definition in IEC 61880:1998</p> <p>AND in devices using chips with part numbers having a date of first commercial availability after October 1, 2007</p> <p>(ii) CGMS-A, APS and RCI signaling on Line 23 for Type B according to CEA-805-B</p> <p>1080i YUV, YPbPr or Y,R-Y,B-Y component:</p> <p>CGMS-A, APS/APS trigger bits and RCI</p> <p>(i) CGMS-A, APS trigger bits signaling on Lines 19 and 582 of 1080i according to JEITA EIAJ CPR 1204-2 complemented by bit assignment definition in IEC 61880:1998</p> <p>AND in devices using chips with part numbers having a date of first commercial availability after October 1, 2007</p> <p>(ii) CGMS-A, APS and RCI signaling on Lines 18 and 581 of 1080i for Type B according to CEA-805-B</p>
<p>Composite Video Outputs:</p> <p>Standard Definition: NTSC, SECAM, and PAL (including S-video outputs for the listed formats)</p>	<p>Subject to the sunset requirements set forth in Sections 1.7.1 and 1.7.3 of Part 2 of these Compliance Rules, a Licensed Product may pass Decrypted AACS Content for which the Digital Only Token was not set to these outputs provided that such Licensed Product</p> <p>(a) supports Macrovision APS and applies to the output Macrovision in accordance with the APS1 settings if APS1 is selected; and</p> <p>(b) applies to the output CGMS-A/Copyright information, APS/APS trigger bits and</p>

	<p>where applicable RCD with a setting that corresponds to the setting of the CCI field and APSTB ;</p> <p>in both cases as further set forth for each output in the details below. AACS LA may amend certain of these obligations, or specify alternative means to comply, if AACS LA finds that the required technologies are not available on fair, reasonable and nondiscriminatory terms.</p> <p>480i RF, Composite or S-Video:</p> <p>Macrovision: The Automatic Gain Control and Colorstripe copy control systems (specified in the document entitled “Specifications of the Macrovision Copy Protection Process for DVD Products, Revision 7.1.D1, (September 30, 1999)” or “Specifications of the Macrovision Copy Protection Process Revision 7.2.H1 October 3, 2005”), triggered according to the requirements above;</p> <p>CGMS-A, APS/APS trigger bit and RCD:</p> <ul style="list-style-type: none"> (i) CGMS-A and APS trigger bits signaling on Lines 20 and 283 according to IEC 61880:1998 <p>AND</p> <ul style="list-style-type: none"> (ii) CGMS-A and APS signaling on Line 21 of field 2 (Line 284) according to CEA-608-C, where the repetition rate for the CGMS-A and APSTB should be no less than once every 10 seconds for Line 284 signaling <p>AND in devices using chips with part numbers having a date of first commercial availability after October 1, 2007</p> <ul style="list-style-type: none"> (iii) RCD signaling on Line 21 of field 2 (Line 284) according to CEA-608-C, where the repetition rate for the RCD should same as for
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	<p style="text-align: center;">CGMS-A</p> <p>576i RF, Composite, S-Video:</p> <p>Macrovision: The Automatic Gain Control and Colorstripe copy control systems (specified in the document entitled “Specifications of the Macrovision Copy Protection Process for DVD Products, Revision 7.1.D1, (September 30, 1999)” or “Specifications of the Macrovision Copy Protection Process Revision 7.2.H1, (October 3, 2005)”), triggered according to the requirements above;</p> <p>Copyright information signaling on Line 23 according to ETSI EN 300 294</p>
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TABLE C1

AACS Authorized Copying Methods

Note to Adopter: This table will, in the applicable Final Agreements, list technologies that have been approved for Managed Copy. Technologies that may appear on this table, subject to AACS confirmation, include: AACS, Bound Recording Method, CPRM, WMDRM, MagicGate and VCPS. AACS will consider additional technologies for this table as they may be submitted to AACS.

TABLE D1

AACCS Authorized Digital Outputs (Non-Copying Methods)

Note: Table D1 may be amended by AACCS LA from time to time consistent with the Interim Adopter Agreement/Interim Content Participant Agreement. In addition, AACCS LA may remove an Authorized Digital Output from Table D1 in circumstances where there has been: (i) a significant compromise to such Authorized Digital Output or a change to the specification or license terms from those in effect at the time of AACCS approval, in each case that would have a material and adverse effect on the ability of such Authorized Digital Output to robustly maintain the security of Digital Entertainment Content protected by the AACCS Technology after it is passed to such Authorized Digital Output or would materially and adversely compromise or interfere with the integrity and security of the AACCS Technology or (ii) a change to the usage rules or the meaning of terms in its usage rules such that they are less restrictive than at the time of AACCS approval with respect to Digital Entertainment Content protected by the AACCS Technology after it is passed to such Authorized Digital Output. Such decisions involving compromises to such technology will be made taking into account the technology provider's proposals for remedying the compromise and a fair balance between the interests of content owners, consumers and product manufacturers.

AACCS Authorized Digital Outputs	Associated Restrictions and Obligations
<p>DTCP</p> <p>(Capitalized terms used in this row of the table but not otherwise defined in this Interim Agreement shall have the meaning set forth in the DTCP Specification and DTCP Adopter Agreement.)</p>	<p>A Licensed Product may pass Decrypted AACCS Content for which the Digital Only Token was not set to an output protected by DTCP, provided that when doing so, the Licensed Product shall (a) carry any DTCP System Renewability Messages delivered in association with such content (in the manner described or referenced in the AACCS Specifications) to the DTCP Source Function, and (b) set the following fields of the DTCP Descriptor to the indicated values:</p> <p style="padding-left: 40px;">APS: If APS1 is set then DTCP_APS is set in accordance with APS1 settings as APS1 is defined in the Specifications. If APS2 is set, then DTCP_APS is set to (0,0). <i>Note to Adopter: In the applicable Final Agreements if APS2 is set, then DTCP_APS shall be required to be set to (1,1) unless otherwise provided for in the applicable Compliance Rules.</i></p> <p style="padding-left: 40px;">DTCP_CCI: Set according to the AACCS CCI values</p> <p style="padding-left: 40px;">ICT: Set per AACCS Image Constraint Token</p>

	<p><i>Note to Adopter: AACS LA shall provisionally approve DTCP outputs in the applicable Final Agreements, with the sole condition (beyond conditions agreed upon by AACS LA under which approval of AACS Authorized Digital Outputs may be rescinded or otherwise conditioned) that passing of Decrypted AACS Content to DTCP by Licensed Products manufactured or sold after the sunset dates set forth in Section 1.7.1 and 1.7.3 of Part 2 of these Compliance Rules shall not be permitted if the DTCP license has not been revised to prevent the passing to analog outputs in DTCP licensed products manufactured or sold after such dates of content at resolutions not permitted under Sections 1.7.1 and 1.7.3 of Part 2 of these Compliance Rules to be passed to analog outputs.</i></p> <p><i>Note to Adopter: When DTLA revises the rules for the handling of the Digital Only Token, Adopter should expect that the foregoing provisions will change to reflect that revision.</i></p>
<p>HDCP</p> <p>(Capitalized terms used in this row of the table but not otherwise defined in this Interim Agreement shall have the meaning set forth in the HDCP Specification and HDCP License Agreement.)</p>	<p>A Licensed Product may pass Decrypted AACS Content to an output protected by HDCP, provided that when doing so, the Licensed Product shall (a) carry any HDCP System Renewability Message delivered in association with such content (in the manner described or referenced in the AACS Specifications) to the HDCP Source Function and (b) verify that the HDCP Source Function is fully engaged and able to deliver protected content, which means (i) HDCP encryption is operational on such output, (ii) processing of the valid received System Renewability Message associated with such content, if any, has occurred as defined in the HDCP Specification and (iii) there is no HDCP Display Device or Repeater on such output whose Key Selection Vector is in such System Renewability Message.</p>
<p>WMDRM v10 or later</p> <p>(Capitalized terms used in this row of the table but not otherwise defined in this Interim Agreement)</p>	<p>A Licensed Product may pass Decrypted AACS Content to an output protected by WMDRM v10 or later for display purposes. When doing so, the Licensed Product shall set the WMDRM Rules as follows:</p>

shall have the meaning set forth in the WMDRM Specification and WMDRM License Agreement.)

MinimumSecurityLevel = 5000

High Definition content robustness level.

Note to Adopter: Compliance rules for WMDRM will require that level 5000 content be converted to constrained image if uncompressed HD video cannot be protected while traversing a User-Accessible Bus .

MinimumDeviceSecurityLevel = 2000

Content may flow to existing WMDRM-ND devices in a manner consistent with the rules of this table.

Source Identifier = 262

Indicates content was sourced from AACCS protected content.

- Implementations will limit further output of such content in a manner consistent with the sunset dates contained in Section 1.7 of Part 2 of these Compliance Rules as and to the extent that they become effective in the applicable Final Agreements.

AllowPlay = True

Permits local and remote rendering via WMDRM-ND.

MinimumCompressedDigitalVideoOutputProtectionLevel = 500

Unprotected compressed Digital Video Output not allowed.

MinimumUncompressedDigitalVideoOutputProtectionLevel = 300

Require System Renewability Message processing with HDCP.

MinimumAnalogVideoOutputProtectionLevel =200

CGMS-A 'Copy Never' required for analog video output.

MinimumCompressedDigitalAudioOutputProtectionLevel = 200

MinimumUncompressedDigitalAudioOutputProtectionLevel = 200

Note to Adopter: WMDRM compliance rules will state that the implementation must control the audio output types in accordance with the policy specified by the content.

DRM_VIDEO_OUTPUT_PROTECTION.guid = 6347574B-8F0F-4511-A8F4-DB2502C1B7E9

Set this GUID if the AACCS Digital Only Token is

	<p>enabled.</p> <p><i>Note to Adopter: WMDRM compliance rules will state that products must block display to analog outputs if this GUID is set.</i></p> <p>DRM_VIDEO_OUTPUT_PROTECTION.guid = D783A191-E083-4BAF-B2DA-E69F910B3772 DRM_VIDEO_OUTPUT_PROTECTION.bConfigData = 520000</p> <p>Set this GUID if the AACS Image Constraint Token is enabled. <i>Note to Adopter: WMDRM compliance rules will state that if this GUID is set, product must convert to constrained image for computer monitor outputs.</i></p> <p>DRM_VIDEO_OUTPUT_PROTECTION.guid = 811C5110-46C8-4C6e-8163- C0482A15D47E DRM_VIDEO_OUTPUT_PROTECTION.bConfigData = 520000</p> <p>Set this GUID if the AACS Image Constraint Token is enabled. <i>Note to Adopter: WMDRM compliance rules will state that if this GUID is set, product must convert to constrained image for component video outputs.</i></p> <p>DRM_VIDEO_OUTPUT_PROTECTION.guid = C3FD11C6-F8B7-4d20-B008-1DB17D61F2DA DRM_VIDEO_OUTPUT_PROTECTION.bConfigData = APSTB</p> <p>Set this GUID if the AACS APS1 (Macrovision) is enabled. <i>Note to Adopter: The WMDRM compliance rules will state that if this GUID is set, Macrovision analog protection system will be turned on, and the APSTB field set based upon the Binary Configuration Data in the XMR license.</i></p>
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TABLE X

Secure Methods for Delivery of Content to Licensed Recorders

Digital Transmission Content Protection
Windows Media Digital Rights Management, version 9.0 or higher
Terrestrial broadcast conditional access system for delivery of audio visual content to consumers pursuant to a government or quasi-government regulation, license, specification or franchise, provided that the system requires robust handling of such content up to the point of AACCS protection.
Satellite transmission conditional access system for delivery of audio visual content to consumers pursuant to a government or quasi-government regulation, license, specification or franchise, provided that the system requires robust handling of such content up to the point of AACCS protection.
Cable transmission conditional access system for delivery of audio visual content to consumers pursuant to a government or quasi-government regulation, license, specification or franchise, provided that the system requires robust handling of such content up to the point of AACCS protection.

APPENDIX 1

Secrecy Required and Integrity Required.

In addition to those items listed as Secrecy Required on the table below, intermediate data items that are derived from such Secrecy Required items shall also be treated as Secrecy Required. Examples include but are not limited to K_{vu} , also known as the Volume Unique Key and which is derived from the Media Key and the Volume ID as defined in the Specifications, and the random/pseudorandom number generator constants k and S , as defined in the Specifications.

Secrecy Required*	
	Device Keys
	Sequence Keys
	Drive Private Key
	Host Private Key
	Media Keys
	Title Keys
	Algorithms described in specifications marked Confidential, including “ <i>HD-DVD and DVD Pre-recorded Book Confidential Part for CE System</i> ” and “ <i>HD-DVD and DVD Pre-recorded Book Confidential Part for PC-based System</i> ”
Integrity Required**	
	AACS LA Public Key
	AACS LA Content Cert Public Key
	Pre-recorded Media Serial Number
	DRL or individual components thereof, when being stored in non-volatile storage by a Licensed Product as required in the technical specifications
	CRL, or individual segments thereof, when being stored in non-volatile storage by a Licensed Product as required in the technical specifications
	MKB when being stored in non-volatile storage by a Licensed Product as required in the technical specifications
	Partial MKB, or individual components thereof, when being stored in non-volatile storage by a Licensed Product as required in the technical specifications

* Note: KCD is not Secrecy Required but is subject to the robustness requirements of Part 2, Section 3.6.9.

** Note: Volume ID, Media ID, and Binding Nonce are not Integrity Required but are subject to the robustness requirements of Part 2, Section 3.6.8.