

MPEG AUDIO PATENT LICENSE AGREEMENT

This Agreement is entered into this _____ day of _____, 2004 by and between

KONINKLIJKE PHILIPS ELECTRONICS N.V., having its registered office in Eindhoven, The Netherlands, (hereinafter referred to as "Philips")

and

[_____], having its registered office in [_____] (hereinafter referred to as "Licensee").

WHEREAS, the parties hereto have entered into a DVD Video Player and DVD ROM Player Patent License Agreement (hereinafter referred to as the "DVD Agreement"), whereby Philips has granted to Licensee the right to use certain patents owned by Philips in connection with the manufacture and sale of DVD-Video Players (as defined in the DVD Agreement);

WHEREAS, Philips owns certain patents essential to the MPEG-1 Layer II and the MPEG-2 Layer II Audio technology, which are being used in connection with the manufacture of DVD-Video Players (hereinafter referred to as the "Philips MPEG Audio Patents") and are listed in Annex A hereto;

It is hereby agreed as follows:

For the duration of the DVD Agreement and subject to the full compliance by Licensee with its obligations under the DVD Agreement, Philips hereby grants to Licensee and Licensee hereby accepts the right to use the Philips MPEG Audio Patents in connection with the manufacture of DVD-Video Players solely for the decoding of digital audio signals in accordance with the ISO/IEC 11172-3 MPEG-1 Layer II and/or the ISO/IEC 13818-3 MPEG-2 Layer II Audio Standard read out from DVD-Video Discs (as defined by the DVD Agreement). In particular and for the avoidance of doubt, this Agreement does not grant Licensee any right to use the Philips MPEG Audio Patents to decode MPEG Audio Layer III files (commonly referred as "MP3 files").

The royalties for the use of the Philips MPEG Audio Patents are included in the royalties payable under the DVD Agreement.

In addition, Philips undertakes that it shall not, during the term of this Agreement assert any of the Non-Asserted Patents (as hereinafter defined) against the manufacture, sale or other disposal of DVD-Video Players by Licensee.

“Non-Asserted Patents” shall mean MPEG Audio patents which are being used in connection with the manufacture of DVD-Video Players and which are jointly owned by Philips and other companies, identified as such in Annex A.

Together with the reporting of DVD-Video Players in accordance with Clause 4.4 of the DVD Agreement, Licensee shall report the quantities of DVD-Video Players making use of the above-mentioned MPEG-1 Layer II and/or MPEG-2 Layer II Audio Standard.

The provisions of the DVD Agreement concerning the grant back obligations, the exclusion of warranty and indemnification, the assignment as well as the miscellaneous clauses shall be deemed to be incorporated into and form part of this Agreement.

Signed for and on behalf of:

Koninklijke Philips Electronics N.V.

[Licensee]

Name:
Title:

Name:
Title:

Reference copy