

Koninklijke Philips Electronics N.V.

P.O. Box 218, 5600 MD Eindhoven, The Netherlands

Date:

Re: **Super Audio CD Player Patent License Agreement, fixed royalty rate**

Dear Sirs,

Reference is made to the Super Audio CD Player Patent License Agreement between our two companies ("the Agreement").

It is hereby confirmed that by way of derogation of the royalty rate specified in Article 5.02 of the Agreement, the royalty rate for Super Audio Players sold on or after January 1, 2003 amounts to US\$ 1.50 (one and a half US Dollar) for each such Super Audio CD Player and that the 2% rule shall no longer apply.

Save as varied explicitly herein all provisions of the Agreement shall remain in full force and effect.

Please confirm your agreement with the above by signing two copies of this Side Letter and returning same thereafter to us for our signature. Upon receipt thereof we will arrange for countersignature on our part, after which this Side Letter shall form an integral part of the Agreement.

Thank you for your co-operation.

Yours sincerely,

Koninklijke Philips Electronics N.V

Agreed for and on behalf of

[company name]

H. Sakkers
by proxy

Name:

Title:

