

CSS Technology License - Application Process Flow Chart (Process A)

Reseller [Associate License]Assembler [Associate License]

The following flow chart of procedures for obtaining a CSS Associate License is provided as a general outline only.

Instructions: Begin by completing Step 1. DVD Copy Control Association needs to process the license agreements before proceeding to Step 2.

Applicant (for Associate License)

Step 1:

- Applicant completes the contact information form and downloads Licensing Documents from website.
- 2. Then Applicant faxes the Inquiry Sheet to DVD CCA at +1 408 779 9291
- 3. Applicant sends two (2) completed and signed CSS Associate License Agreements to DVD CCA via post or courier to:

DVD CCA c/o LMI 225 B Cochrane Circle Morgan Hill, CA 95037 USA

Step 2:

 Applicant pays DVD CCA's invoice for the Annual Administration Fee applicable to the selected functional membership category

(Associate Licensee status is activated when full payment is received on a countersigned license agreement)

DVD CCA

DVD CCA will:

- 1. Verify completeness of Inquiry Sheet
- 2. Countersign both signed originals of CSS Associate License Agreement
- 3. Email an invoice in electronic form for the Annual Administration Fee for the applicable license year (an invoice in printed form will be provided if requested)

Note: If your bank enlists the services of an intermediary bank to facilitate wiring of funds, the intermediary wire fee is your company's responsibility. DVD CCA's bank does <u>not</u> contact that bank to use its services.

DVD CCA will:

- 1. Verify receipt of full payment of invoiced amount.
- 2. Issue a CSS Associate License Certificate and a countersigned agreement
- 3. Include a Receipt document for recipient's dated signature and return via fax

Step 3:

- Receives a CSS Associate License Certificate, countersigned agreement, and Receipt document
- 2. Signs the Receipt document and faxes it to DVD CCA at +1 408 779 9291

\rightarrow

DVD CCA will:

- 1. Await receipt of the signed Receipt document
- 2. Ninety (90) days prior to license expiration, DVD CCA will issue an invoice electronically to the Licensee's Contact Person for the next License Year.



CSS Technology License - Application Process Flow Chart (Process A)

Dear Applicant,

Thank you for your inquiry with regard to the license activities of DVD Copy Control Association and interest in obtaining a Content Scramble System ("CSS") License for an Associate Membership.

No technical information is provided under a Reseller or Assembler license. The Reseller license is usually obtained by companies that do not manufacture product but wish to resell "CSS enabled" DVD product designated as Schedule 1 and/or 2. An Assembler license enables Assemblers to obtain Schedule 2 product. A CSS License is not required for receipt / use / distribution of Schedule 3 product.

"Schedule 1 Products":

Products that are not Schedule 2 or Schedule 3 Products or that are Authenticators, Descramblers, or CSS Decoders that output data other than as permitted for Schedule 2 or Schedule 3 Products.

Examples of Schedule 1 Products:

- Chips that perform CSS authentication and/or descrambling but do not perform MPEG decompression.
- CSS Decoders that output MPEG compressed video.

"Schedule 2 Products":

Products which incorporate any part of the Contents Scramble System and which, in addition to other permitted outputs, has as an output for descrambled decompressed video in digital form.

Example of Schedule 2 Products:

A chip or software which has as its input CSS Scrambled data, and has as its output descrambled decompressed video in digital form.

"Schedule 3 Products":

CSS Compliant Products which output previously CSS-scrambled data only in a Protected form. Examples of Schedule 3 Products:

- A DVD player in which the only video output is an NTSC port with the mandated analog protection system. Other outputs may also be present if they are "protected" as defined within the CSS License Agreement.
- A PC add-in card having NTSC outputs as above and descrambled decompressed video directed toward the target computer's graphics subsystem.
- A computer which releases CSS Video Data only via Protected outputs and otherwise meets the requirements of the Assembly Specification.

In an effort to clarify our activities, and to proceed with processing of a CSS Associate License, we would like to offer an explanation of the procedures as follows:

STEP 1 (CSS Application Form)

To begin the process, please find attached an "Inquiry Sheet" for your completion (three pages total) and fax the completed form to DVD CCA with the requested information. Following the Inquiry Sheet, we've also included a flowchart that generally outlines the license application process.

Next, you may download a copy of a CSS Associate License Agreement (for "Assemblers" and "Resellers") for review. An electronic copy of the CSS Procedural Specifications is also available.

STEP 2 (CSS Licensing)

If your company wants to become CSS licensed as a Reseller (for receipt / distribution of Schedule 1 and/or 2 product) or Assembler (for receipt of Schedule 2 product), a CSS Associate License is required.

Upon DVD CCA's receipt of two (2) sets of signed Reseller or Assembler Agreements, DVD CCA will process the documents for countersignature and issue an invoice in electronic form.



CSS Technology License - Application Process Flow Chart (Process A)

IMPORTANT: Please remember to have your agreements signed by an individual, such as a corporate officer, with the authority to legally bind your company to the terms of the CSS Associate License Agreement. DVD CCA cannot accept license agreements if they are not signed by an appropriate individual.

DVD CCA must collect an <u>Annual</u> Administration Fee for each category of license selected. Each CSS Associate License category (Assembler or Reseller) carries an Annual Administration Fee of USD \$5,200*. Please be aware that the CSS license is "**royalty-free**" (tax treaty withholding is not applicable). The membership fees are used to offset the costs associated with DVD CCA's administration of CSS as a licensing activity. Therefore, no tax treaty withholding is appropriate. CSS License issuance requires "full" payment on the invoice, including any bank charges deducted against the invoiced amount - no exceptions can be made.

If wiring funds, please pay your bank wire fees (and that of the "intermediary" bank - usually about \$20). DVD CCA does not enlist the services of an intermediary bank so it will not pay for use of such services. Including this amount in a wire transfer would likely pay for any intermediary bank charge (you may wish to contact your company's bank to find out exact amount). Any charges against the invoice amount will require subsequent payment to cover the charges. Factoring the "intermediary" bank wire fee into a wire transfer would help avoid a shortage of payment situation. Payment by wire transfer is entirely optional, but by doing so, DVD CCA does not pay the "intermediary" bank fee before funds are actually received by DVD CCA.

(*subject to periodic review and revision)

The Process Begins...

- (1) Upon DVD CCA's receipt of Applicant's completion and submission of:
 - i) website contact information
 - ii) one (1) Inquiry Sheet via fax
 - iii) two (2) completed and signed CSS Associate License Agreements
- (2) The Applicant will then receive:
 - i) an invoice in electronic form for selected Membership Category(ies) and applicable License Year [based on "Effective Date" (countersignature)]



- (3) Upon DVD CCA's receipt of an Applicant's full payment for invoiced amount, DVD CCA will provide the Licensee with the following:
 - i) CSS Associate License Certificate [for selected Membership Category(ies)]
 - ii) one original countersigned CSS Associate License Agreement
 - iii) Receipt for return acknowledgement by fax

Please fill out the attached form and return it to us as. We appreciate your efforts to provide complete and accurate information. We look forward to servicing your CSS needs.

Best regards, DVD CCA

[Note: Our receipt of an Inquiry Sheet shall not be deemed to grant a license to your company]