Rider X.2

Prepared by Certain MPAA Company Representatives to the BPDG Drafting Committee

Discussion Draft -- February 15, 2002

[Note to BPDG: it is assumed for purposes of technical evaluation that the instrument promulgating the Compliance Requirements and Robustness Requirements would address the concepts reflected in Section X.2, below.]

X.1 [Intentionally Left Blank]

X.2 Obligations of Licensed Products with Source Functions.¹

(a) Definitions.

"Transport Stream Processing Function" means a product or process that processes the transport stream in a demodulated 2-VSB, 8-VSB, 16-VSB, 64-QAM or 256-QAM Unencrypted Digital Terrestrial Broadcast Content (e.g., a transport stream processing chip). If a Transport Stream Processing Function consists of separate components that perform transport stream processing, then the Compliance Requirements and the Robustness Requirements shall be met by each such component and the product as a whole.

- **(b) Demodulation Functions/Transport Stream Processing Functions.** In each "Licensed Product" with a "Source Function" that incorporates a Demodulation Function, such Demodulation Function shall be:
 - (1) a product that complies with the Compliance Requirements and is manufactured in accordance with the Robustness Requirements;
 - (2) a component of a product manufactured by Adopter that complies with the Compliance Requirements and is manufactured in accordance with the Robustness Requirements; or
 - (3) distributed or sold to a "Fellow Adopter" or a person or entity that is providing services to "Adopter" pursuant to the right to "have made" Licensed Products (a "Have Made Party"). Adopter shall contractually bind any Have Made Party to sell,

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¹ We anticipate that the instrument promulgating these requirements would include a reasonable notice period before the obligations set forth herein become effective. We also anticipate that an appropriate provision would be crafted so as to exempt these requirements from applying to products that are specifically intended for professional video and broadcast use.

distribute or otherwise dispose of Licensed Products furnished by or made for Adopter, only to Adopter.

Notwithstanding anything in the foregoing sentence to the contrary, for a period of _____ months following the date hereof, Adopter's obligations hereunder shall only apply to Licensed Products that incorporate a Transport Stream Processing Function.

- **(c) Downstream Products.** Each Licensed Product with a Source Function that is a Downstream Product shall comply with the Compliance Requirements and shall be manufactured in accordance with the Robustness Requirements.
- **(d) Changes in Technologies.** Adopter is hereby notified that there are under active consideration modifications to these specifications which may affect the ability to make or sell certain products. These areas include: (a) an obligation to detect and respond to a cryptographically enhanced version of the Broadcast Flag; and (b) an obligation to detect and respond to a "Consensus Watermark".