Philips Proposal to the BPDG:

- **X.12** Criteria for Technologies To Be Admitted to Table A. A technology that meets the following technical criteria shall be included on Table A as an Authorized Digital Output Method or as an Authorized Recording Method¹:
- (a) To qualify as an Authorized Digital Output Protection Method a technology shall, with respect to Unscreened and Marked Content:
 - 1. Require a User to (x) acquire or build a physical device of sufficient complexity to be beyond the ordinary capability of a User to construct, in order either to defeat such technology or to avoid the application of such technology or (y) acquire the keys to an encryption system (which shall be at minimum 56 bits in length);
 - 2. Preserve the Broadcast Flag with the content or keep other information identifying the content as either Marked Content or Unscreened Content with the content during digital output and transmission over a digital interface, provided that if content is identified as Unscreened Content by such other information, it shall be treated as Marked Content if the Broadcast Flag is not preserved; and
 - 3. Authenticate the product receiving content via the Authorized Digital Output Protection Method using a cryptographic authentication method or a hardware handshaking method that prevents promiscuous snooping on the interface in order to confirm that the receiving product complies with rules for digital outputs, digital recording and robustness at least as restrictive as those defined for Covered Products herein.
- (b) To qualify as an Authorized Recording Method a technology shall, with respect to Unscreened and Marked Content:
 - 1. Require a User to (x) acquire or build a physical device of sufficient complexity to be beyond the ordinary capability of a User to construct, in order either to defeat such technology or to avoid the application of such technology (y) acquire the keys to an encryption system (which shall be at minimum 56 bits in length);
 - 2. Preserve the Broadcast Flag with the content or keep other information identifying the content as either Marked Content or Unscreened Content with the content while recorded in digital form, provided that if the content is identified as Unscreened Content by such other information, it

¹ The procedure for confirmation of a technology's qualification for inclusion on Table A, and for a process to resolve disputes is left for the parallel group, as is the development of suitable criteria to provide for enforcement of the obligations on products using the technology.

- shall be treated as Marked Content if the Broadcast Flag is not preserved; and
- 3. Include a means of ensuring that the content is played back only on a product that complies with rules for digital outputs, digital recording and robustness at least as restrictive as those defined for Covered Products herein.
- (c) To qualify as an Authorized Digital Output Method or as an Authorized Recording Method, a technology shall, in addition, meet the following criteria.
 - 1. The specification and compliance rules must be final and clearly defined.
 - 2. The technology must be available under rules that are limited to the broadcast protection functionality [prevention of unauthorized redistribution outside of the home or personal digital networks] and must impose limitations and requirements no more limiting than those set forth in Sections X.3 through X.11 of these Requirements.
 - 3. Without limiting the foregoing, recording and output technologies authorized for use by an Approved Technology must authorize the use of digital outputs and recordable media protected by the other Approved Technologies without need for further authorization or approval.
 - 4. The technology and rules must not be subject to change other than under a clearly defined consensus process (including both licensees and content providers) that allows time for implementation (in ordinary circumstances to be not less than 18 months), and adequate notice before any change becomes effective and may be implemented, to ensure that no implementers have any advantage in implementation.
 - 5. The technology must be available on a nondiscriminatory basis under license with fair, reasonable and nondiscriminatory terms and conditions that are appropriate to and do not reach beyond the scope of broadcast protection.
 - 6. An Approved Technology may not allow content providers to encode content using codes recognized by the technology in a way that causes the technology to impose restraints on Unscreened Content or Marked Content beyond those reasonably necessary to prevent [unauthorized redistribution outside of the home or personal digital networks].

In addition to the foregoing: (i) there must be a defined, neutral process for evaluation of a technology against these criteria, and (ii) no technology is deemed an Authorized Digital Output Method or an Authorized Recording Method until there are X recording and X output technologies.