



**SISVEL AV1 PATENT SUBLICENSE AGREEMENT  
BETWEEN SISVEL AND [\_\_\_\_\_]**

This sublicense agreement ("Agreement"), effective as of [\_\_\_\_\_] ("Effective Date"), is entered into by and between **Sisvel International S.A.**, a company having its principal place of business at Immeuble Cubus C2, 2, rue Peternelchen, L-2370 Howald, Grand Duchy of Luxembourg ("Sisvel" or "Licensor") and [\_\_\_\_\_] a company duly incorporated under the laws of [\_\_\_\_\_] having its registered office at [\_\_\_\_\_] ("[\_\_\_\_\_]" or "Licensee") (individually, a "Party" and collectively, the "Parties").

WHEREAS, B1 Institute of Image Technology, Inc., Dolby International AB, Dolby Video Compression, LLC (formerly GE Video Compression, LLC), Electronics and Telecommunications Research Institute ("ETRI"), Godo Kaisha IP Bridge 1, IDEAHUB, Inc., Industry Academy Cooperation Foundation of Sejong University ("Sejong University"), Intellectual Discovery, JVCKENWOOD Corporation, Koninklijke Philips NV, Korea Advanced Institute of Science and Technology ("KAIST") & Korean Broadcasting System ("KBS"), NTT, Inc. ("NTT"), NTT Docomo, Inc., Orange S.A., RAI – Radiotelevisione Italiana S.p.A ("RAI"), SK Planet Co., Ltd., SK Telecom Co., Ltd., Toshiba Corporation, University - Industry Cooperation Group of Kyung Hee University ("Kyung Hee University") and Xylene Holding S.A., are the owners of certain patents, which contain claims that are believed in good faith to be necessary for compliance with the AV1 Specification;

WHEREAS, Licensor owns the right to license the AV1 Patents and to grant covenants not to sue, past and future releases and licenses;

WHEREAS, Licensor claims that Licensee's AV1 Products infringe upon one or more of the claims of the AV1 Patents;

WHEREAS, Licensee desires to settle any dispute with Licensor with respect to infringement of the AV1 Patents and such settlement and license shall cover the past and future use of the AV1 Patents in AV1 Products until the end of the Term.

NOW, THEREFORE, the Parties agree as follows:

**1. Defined Terms**

- 1.1 "AV1 Field" means only the AV1 functionality, or the portion implementing such AV1 functionality of a AV1 Product and only such functionality or portion implementing such functionality (and for clarification and without limitation no other codec functionality), for receiving, transmitting, and/or processing signals that are compliant with the AV1 Specification or any part thereof. In addition to the foregoing, and subject to the preceding sentence, AV1 Products within the AV1 Field do not include integrated circuits, components or other Intermediate Products requiring substantial additional industrial and/or manufacturing processing to implement the AV1 user equipment functionality.
- 1.2 "AV1 Patents" shall mean any and all enforceable claims, but only such claims, included in patents Held by AV1 Patent Owners or their Patent Owners Affiliates, that are necessarily infringed or used when implementing the AV1 Specification, or any portion of the AV1 Specification under the laws of the country which issued or published such Patent, including but not limited to those patents listed in **Exhibit B**. The scope of the rights granted to Licensee

under this Agreement with regard to the “AV1 Patents” is strictly limited to the AV1 Field as implemented in any AV1 Product. Any amendments to the list of AV1 Patents in **Exhibit B** shall be effective upon the posting of the relevant new **Exhibit B** on the Licensor’s website <https://www.sisvel.com/licensing-programs/audio-and-video-coding-decoding/video-coding-platform/patents> (AV1 Patent Brochure) and such posting shall constitute notice to Licensee.

- 1.3 “AV1 Patent Owners” means B1 Institute of Image Technology, Inc., Dolby International AB, Dolby Video Compression, LLC (formerly GE Video Compression, LLC), Electronics and Telecommunications Research Institute (“ETRI”), Godo Kaisha IP Bridge 1, IDEAHUB, Inc., Industry Academy Cooperation Foundation of Sejong University (“Sejong University”), Intellectual Discovery, JVCKENWOOD Corporation, Koninklijke Philips NV, Korea Advanced Institute of Science and Technology (“KAIST”) & Korean Broadcasting System (“KBS”), NTT, Inc. (“NTT”), NTT Docomo, Inc., Orange S.A., RAI – Radiotelevisione Italiana S.p.A. (“RAI”), SK Planet Co., Ltd., SK Telecom Co., Ltd., Toshiba Corporation, University - Industry Cooperation Group of Kyung Hee University (“Kyung Hee University”) and Xylene Holding S.A., which Hold the AV1 Patents as per **Exhibit B**.
- 1.4 “AV1 Products” means any finished hardware or products designed or suitable without further modification for private, non-commercial consumer use that are conform to or practice all or any part of the AV1 Specification, including products sold as multiple pieces designed for consumers. AV1 Products shall include, but are not limited to, mobile telephones, tablets and other handheld devices, Smart TVs, set-top boxes, personal computers and video streaming players practicing the AV1 Specification. AV1 Products shall not include Intermediate Products.
- 1.5 “AV1 Specification” means the document ‘AV1 Bitstream & Decoding Process Specification’ as available from the Alliance for Open Media (<http://aomedia.org/>); the latest version (1.0.0 with Errata 1) has been published on January 8, 2019, and is available under the following link <https://aomediacodec.github.io/av1-spec/av1-spec.pdf> or any new version thereof during the Term of the Agreement; and including all annexes and references of the AV1 Specification. It is understood and accepted that the AV1 Specification may be updated or amended if any subsequent new specification or amendment of existing specification is released, in which case the addition of a new specification or change of existing specification may be based on an amendment of the terms of this Section 1.5.
- 1.6 “Compensation” means the overall payment due by Licensee as described in Section 3.1.
- 1.7 “Compliant Rate” means the reduced royalty rate per AV1 Product in case Licensee is in full compliance with its obligations under this Agreement. Full compliance means in particular but not limited to Licensee having submitted all relevant royalty statements timely, and having fulfilled its relevant payment obligations in connection with such statements for all relevant AV1 Products, and such royalty statements are true, complete and accurate in every respect.
- 1.8 “Consumer Display Device” means any AV1 Product that contain any component, device, instrument, apparatus or processing means that are capable of enabling visual demonstration

or presentation of data and/or image(s), such as but not limited to smartphones, tablets, computer pads, notebooks, computers, convertibles, televisions, in-vehicle entertainment systems, wearable technologies, interactive technologies such as virtual reality and/or augmented reality devices and projectors etc., photo cameras (with display), video cameras (with display).

- 1.9 “Consumer Non-Display Device” means any AV1 Product that does not qualify as Display Device, such as but not limited to set-top-boxes, video and gaming consoles, dongles, decoders and players, home theatres and streaming media players, photo cameras (without display), video cameras (without display), desktop PCs and graphics cards.
- 1.10 “Export Regulations” shall mean any laws or regulations relating to economic or financial, trade, shipping or other sanctions, export controls, trade embargoes or restrictive measures that are from time to time imposed and/or administered by the United States, the European Union and its Member States, the United Kingdom, or any other relevant jurisdiction, or the respective governmental institutions and agencies of the foregoing.
- 1.11 “Extended Agreement” means the possible further/extended agreement between the Parties with regard to Post-Term Units in an Extended Term as set forth in Section 6.2.
- 1.12 “Extended Term” means the term after the Initial Term as further defined in Section 6.2.
- 1.13 “Have Made” means a product made by a third party for the sole use and benefit of Licensee and/or Licensee Affiliate(s) (the third party being the “Have Made Producer”), provided that such products have been made by the Have Made Producer solely for the resale by Licensee and/or Licensee Affiliate(s), excluding each and every product that is resold by Licensee and/or Licensee Affiliate(s) to the Have Made Producer, its affiliates or any party to which the Have Made Producer is an affiliate. For the avoidance of doubt, such Have Made Producer shall not be allowed to sell Have Made products to parties other than Licensee and/or Licensee Affiliate(s) neither directly nor through Licensee and/or any of its Licensee Affiliate(s).
- 1.14 “Hold” or “Held” or any similar variation of such term with respect to any AV1 Patent shall mean possession of the right to grant rights and releases under the AV1 Patents without the consent of any third party, as of January 1, 2020.
- 1.15 “Initial Term” means the period as described in Section 6.1.
- 1.16 “Intermediate Products” means components and subassemblies of AV1 Products Made or Sold as standalone items and not incorporated in AV1 Products at the time they were Made or Sold, such as, without limitation, chipsets, semiconductor components, embedded modules and firmware components.
- 1.17 “Licensee Affiliate” shall mean an entity which, on or after the Effective Date, directly or indirectly, controls, is controlled by or is under common control with Licensee, for so long as each such control exists, as well as those companies identified in **Exhibit A**. The term “control” as used in this Section shall mean directly or indirectly (i) holding more than fifty percent (50%) of the outstanding stock or other voting rights entitled to elect directors of an entity; (ii)

holding the ability to appoint or elect more than fifty percent (50%) of the board of directors (or persons exercising similar functions at any meeting representing all shareholders, parties, members, or other equity holders of an entity); or (iii) in the case of an entity without a governing body equivalent to a board of directors, holding an economic or other interest carrying the right to receive more than fifty percent (50%) of the profits of the entity.

- 1.18 “Licensee’s AV1 Patents” has the meaning set forth in Section 6.5.
- 1.19 “Make”, “Made” or any similar variation of such term means made, manufactured, used, practiced, developed and/or Have Made.
- 1.20 “Necessary Records” means the books and records as described in Section 4.9.
- 1.21 “Past Use” means AV1 Products Made and/or Sold by Licensee or Licensee Affiliates prior to the Effective Date.
- 1.22 “Patent Owner Affiliates” are entities directly or indirectly controls a AV1 Patent Owner, is controlled by such AV1 Patent Owner or is under common control with such AV1 Patent Owner, for so long as each such control exists, whereas the term “control” as used in this Section 1.22 shall mean directly or indirectly (i) holding more than fifty percent (50%) of the outstanding stock or other voting rights entitled to elect directors of an entity; (ii) holding the ability to appoint or elect more than fifty percent (50%) of the board of directors (or persons exercising similar functions at any meeting representing all shareholders, parties, members, or other equity holders of an entity); or (iii) in the case of an entity without a governing body equivalent to a board of directors, holding an economic or other interest carrying the right to receive more than fifty percent (50%) of the profits of the entity. For the purpose of this Agreement, Patent Owner Affiliate shall not include NTT Docomo Inc. with respect to NTT, Inc. and vice versa.
- 1.23 “Post-Term Units” means AV1 Products Made and/or Sold by Licensee after the Initial Term.
- 1.24 “Product Category” means Consumer Display Device and/or Consumer Non-Display Device.
- 1.25 “Sale”, “Sell”, “Sold” or any similar variation of such term means export, offer to sell, sell, distribute, lease or and/or otherwise dispose of.
- 1.26 “Standard Rate” means the standard royalty rate per AV1 Product in case Licensee is not in full compliance with its obligations under this Agreement. Such Standard Rate applies with immediate effect from the first day of the reporting period to which the occurrence of such non-compliance relates until such moment that Licensor confirms in writing to Licensee that Licensee’s non-compliance has been remedied in full.
- 1.27 “Term” means the term as described in Article 6 of this Agreement.
- 1.28 “Territory” means worldwide, however, limited to the scope of territorial protection of each of the AV1 Patents.

## **2. Release, Covenant and License**

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- 2.1 All rights granted under the AV1 Patents according to this Agreement are non-exclusive, non-transferrable and limited to the use of the AV1 Field and to the Territory for the Term and shall only include AV1 Products Made by or for Licensee and its Affiliates and/or Sold by Licensee and its Affiliates.
- 2.2 Subject to Licensee's full compliance with the payment obligations in Article 3 and the further obligations set forth in this Agreement, Licensor hereby releases, acquits, and forever discharges Licensee and Licensee Affiliates listed in **Exhibit A** from any and all claims of infringement of the AV1 Patents arising out of the reported individual AV1 Products Made and/or Sold before the Effective Date as per such reported royalty statement(s) attached to this Agreement, if any. Licensor covenants not to sue Licensee, its successors and Licensee Affiliates as well as any downstream customers or end-users, from liability for infringement of any of the AV1 Patents for Past Use. The release and covenant not to sue in accordance with this Section 2.2 are neither in force nor effect if this Agreement is terminated by Licensor, where Licensor will have the right to sue and otherwise seek and obtain compensation from Licensee for any Past Use, without limitation as to the time for bringing any such suit. Licensor relied on Licensee's ongoing performance of its obligations under this Agreement in providing the release and covenant of this Section 2.2.
- 2.3 Subject to Licensee's full compliance with the applicable payment obligations in Article 3 and the further applicable obligations set forth in this Agreement, Licensor hereby grants to Licensee a royalty bearing license to use, Make and/or Sell AV1 Products under the AV1 Patents.
- 2.4 Licensee understands that it is free to negotiate releases, covenants and licenses, also for separate portions of the AV1 Patents Held by one or more of the AV1 Patent Owners on a bilateral basis, subject to different terms and conditions. However, Licensee wishes to obtain the release, covenant and license for the AV1 Patents in a joint approach from all AV1 Patent Owners at once, as subject to this Agreement.

## **3. Payment of Compensation**

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- 3.1 Licensee shall make the following non-refundable and non-recoupable payments to Licensor (deemed subject to the definition of "Compensation"):
- 3.1.1 The amount of Five Thousand Euros and Zero Cents (**5,000.00 EUR**) as an entrance fee; and
- 3.1.1.1 The amount of [ ] Euros (**EUR** ) for Past Use covenant under the AV1 Patents granted under Section 2.2; and
- 3.1.1.2 The royalties amount payable pursuant to Section 3.1.1.3 below for all calendar quarter(s) become due after the Effective Date of this Agreement; and
- 3.1.1.3 A quarterly payment of running royalties for each AV1 Product Made and/or Sold in the preceding quarter, the due amount for each quarter to be

determined on the basis of AV1 Products Made and/or Sold under the AV1 Patents as reported per Article 4 infra, in accordance with the following royalty rate:

Product Category	Consumer Display Devices	Consumer Non-Display Devices
AV1 Standard Rate	EUR 0.32 (thirty-two Eurocents)	EUR 0.11 (eleven Eurocents)
AV1 Compliant Rate	EUR 0.24 (twenty-four Eurocents)	EUR 0.08 (eight Eurocents)

The Compensation shall be paid by wire transfer to Licensor's bank account as specified in the invoice provided by Licensor, whereas the Compensation shall be due within fifteen (15) days from receipt of the respective invoice from Licensor.

3.2 [intentionally omitted]

3.3 All costs, stamp duties, taxes and other similar levies arising from or in connection with the conclusion of this Agreement shall be borne by Licensee. In the event that the government of a country imposes any taxes on payments made by Licensee to Licensor hereunder and requires Licensee to withhold such tax from such payments, Licensee may deduct such tax from such payments. In such an event, Licensee shall promptly provide Licensor with tax receipts issued by the relevant tax authorities so as to enable Licensor to support a claim for credit against taxes which may be payable by Licensor and to enable Licensor to document, if necessary, its compliance with tax obligations in any applicable jurisdiction. The Parties commit to assist and support each other upon reasonable request of the other Party in any call for declarations, documents or details pertaining to this Agreement, in order to satisfy tax authorities and to avoid the payment of any undue taxes, including but not limited to withholding tax.

#### 4. Reporting

4.1 Licensee shall, on a quarterly basis and within one (1) month after the end of each calendar quarter, beginning with the calendar quarter of the Effective Date, provide Licensor with a full royalty statement for which Licensor shall provide an electronic form, which includes: the total number of units of AV1 Products Made and/or Sold by Licensee and/or Licensee Affiliates in the preceding calendar quarter and the following details for each shipment or delivery of the relevant AV1 Products: the model number, product type, the brand or trademark on the product, the full name of the customer, the country of Sale, the full name of the manufacturer (or the direct supplier, as the case may be), the country of manufacture and/or Sale. Licensee shall submit the full royalty statement in accordance with this Section 4.1, in a file type specified by Licensor via e-mail to the address [videocoding.reporting@sisvel.com](mailto:videocoding.reporting@sisvel.com). Upon request from Licensor, Licensee shall render to Licensor the above full royalty statement in electronic format through an extranet or other internet website established for such purpose by Licensor. Licensee shall provide to Licensor all such full royalty statements for all the calendar quarters become due after the Effective Date of this Agreement in accordance with this Section 4.1 on or before Licensee's signature of this Agreement.

- 4.2 If Licensee or any Licensee Affiliates purchase or otherwise obtain licensed AV1 Products from a third party that is licensed by Licensor or the AV1 Patent Owners to Make and/or Sell AV1 Products under the AV1 Patents, and such third party has: (a) timely fulfilled its royalty payment obligations under such license for all such AV1 Products; and (b) has provided Licensor with a written declaration, subject to written approval by Licensor, stating that it will be responsible for paying the royalties for such AV1 Products prior to such AV1 Products being purchased or otherwise obtained from that third party by Licensee, then Licensee shall have no royalty obligation under this Agreement for such AV1 Products.
- 4.3 If Licensee Sells AV1 Products to a third party that is licensed by Licensor or all the AV1 Patent Owners to Make and/or Sell AV1 Products under the AV1 Patents within the AV1 Field, Licensee shall have the royalty payment obligation under this Agreement for such AV1 Products Sold to such third party, unless: (a) the third party is a licensee in good standing of Licensor or all the AV1 Patent Owners, as the case may be, and has fulfilled all its obligations under such license at the time Licensee Sells said AV1 Products to the third party; and (b) the third party provides Licensor with a written declaration, subject to written confirmation by Licensor, stating that it will be responsible for paying the royalties for such AV1 Products prior to such AV1 Products being Sold to that third party by Licensee; and (c) the third party timely pays all the relevant due royalties on such AV1 Products to Licensor or all said AV1 Patent Owners, as the case may be.
- 4.4 The AV1 Products for which Licensee has no royalty payment obligation according to Sections 4.2 and 4.3 will not be considered when calculating the Compensation due by Licensee according to Section 3.1.1.3.
- 4.5 It is understood and agreed that in all cases other than described to the contrary under Sections 4.2 and 4.3 Licensee has the obligation to pay royalties for such AV1 Products according to the terms of this Agreement. For the avoidance of doubt, any (partial) exhaustion of patent rights shall not apply insofar any products Made for and/or Sold to any third party for which a royalty has not been paid, regardless of whether such third party is subject to obligations of a license agreement under the relevant AV1 Patents for AV1 Products and shall therefore not affect the responsibility of Licensee to pay royalties to Licensor under this Agreement with respect to such unlicensed products.
- 4.6 Licensee shall separately report in the royalty statements as per Section 4.1 the total number of units of AV1 Products that Licensee and/or Licensee Affiliates Made for or Sold to a third party licensed with respect to such products under the relevant AV1 Patents in the preceding calendar quarter provided that no royalty for such products is due by Licensee pursuant to Sections 4.2 and 4.3, and, the following details for each shipment or delivery of the relevant AV1 Products: the model number, a brief description of the product or product type, the brand or trademark on the product (if any), the full name of the customer, the country of Sale, the full name of the manufacturer (or the direct supplier, as the case may be), the country of manufacture and/or Sale.
- 4.7 Upon request from Licensor, Licensee will provide documentation sufficient to demonstrate that any Product listed in the report as per Section 4.6 were purchased from or Sold to a licensed third party including, but not limited to, invoices showing such purchase or Sale. If

Licensee fails to provide Licensors with such documentation within thirty (30) days of Licensors request, Licensee will pay the due royalties for all such Products for which no such documentation has been provided to Licensors within fifteen (15) days after the date of Licensees failure.

- 4.8 Licensors shall not disclose any of the information comprised in the royalty reports provided by Licensee or Licensee Affiliates under this Agreement to any third party, except: (a) Licensors affiliates are not considered third parties; (b) if such disclosure was done in an aggregated form, anonymizing any third party information; (c) as provided for in this Agreement or with the prior written consent of Licensee or Licensee Affiliate; (d) to any governmental body specifically requiring such disclosure (e.g. customs for verification of license compliance to prevent seizure of goods); (e) for the purposes of disclosure in connection with any possible financial or regulatory filings, reports or disclosures that may be required under applicable laws or regulations; (f) to a Partys accountants, legal counsel, tax advisors and other financial and legal advisors, subject to obligations of confidentiality and/or privilege at least as stringent as those contained herein; (g) if disclosure is demanded by a subpoena, order from a court or governmental body, or as may otherwise be required by law or regulation, and, if legally possible, subject to protective order or written agreement between counsel that such disclosure shall be limited to "Attorneys' Eyes Only"; and, in the case disclosure is pursuant to a protective order, such protective order shall provide, to the extent practicable, that any disclosure under a protective order would be protected under an "Attorneys' Eyes Only" or higher confidentiality designation; (h) if the information is obtained from another source than the royalty reports; or (i) if the information is made publicly available by Licensee.
- 4.9 Licensee and Licensee Affiliates shall keep and maintain accurate and detailed books and records in paper or electronic form including, but not limited to, all books and records related to the organization chart showing the relationship of Licensee and all Licensee Affiliates and all production, purchases, stocks, deliveries, technical specifications of all products, and sales records related to AV1 Products (all books and records collectively referred to as "Necessary Records"). Necessary Records pertaining to a particular royalty reporting period, including Necessary Records relating to the Making and/or Selling of any AV1 Products, shall be maintained for five (5) years after the expiry of the Term.
- 4.10 Licensors shall have the right to audit Licensees and Licensee Affiliates' Necessary Records once per calendar year for verification of the amount of AV1 Products actually Made and/or Sold during the Term in comparison to the amounts reported as Made and/or Sold according to Article 4. Licensors will give Licensee written notice of such audit at least five (5) days prior to the audit. All such audits shall be conducted during reasonable business hours. Any audit under this Section 4.10 shall be conducted by an independent certified public accountant or equivalent ("Auditor") selected by Licensors. It shall be a material breach of this Agreement for Licensee and/or a Licensee Affiliate to fail to cooperate with the Auditor and/or to fail to provide the Auditor with all Necessary Records requested by the Auditor regardless of whether Licensee claims that such Necessary Records are subject to confidentiality obligations.
- 4.11 The cost of any audit under Section 4.10 shall be at the expense of Licensors; provided,



however, that Licensee shall bear the entire cost of the audit, without prejudice to any other claim or remedy as Licensor may have under this Agreement or under applicable law, if: (i) the audit reveals a discrepancy that is greater than three percent (3%) of the number of AV1 Products reported by Licensee or Licensee Affiliates in any of the quarterly royalty statement during the period to which the audit refers; (ii) the audit identifies any Licensee Affiliate involved in the Making and/or Sale of any AV1 Products and not listed in **Exhibit A** of this Agreement or included in the organization chart; (iii) Licensee has failed to submit any royalty statements by their due date, as per this Article 4, in respect of the period to which the audit relates; and/or (iv) Licensee or any Licensee Affiliates refuse or obstruct the audit, or the Auditor reports that Licensee or any Licensee Affiliates have refused or obstructed the audit, such as, for example, by refusing to supply all Necessary Records requested by the Auditor.

## **5. Representations and Warranties**

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- 5.1 Licensor represents and warrants that it has the authority, power, and right to enter into this Agreement and to grant Licensee and Licensee Affiliates the rights, privileges, and releases herein set forth.
- 5.2 Nothing in this Agreement shall be construed as: (a) a warranty or representation by Licensor as to the validity or scope of any of the AV1 Patents; (b) a warranty or representation by Licensor that anything Made and/or Sold under any right granted in this Agreement is free from infringement or will not infringe, directly, contributorily, by inducement or otherwise under the laws of any country any patent or other intellectual property right different from the AV1 Patents; or (c) a warranty or representation by Licensor that the AV1 Patents include all patents necessary for compliance with the relevant AV1 Specification throughout the world.
- 5.3 Each Party represents and warrants that this Agreement and the transactions contemplated hereby do not violate or conflict with or result in a breach under any other agreement to which it is subject as a party or otherwise.
- 5.4 Each Party represents and warrants that, in executing this Agreement, it does not rely on any promises, inducements, or representations made by the other Party or any third party with respect to this Agreement or any other business dealings with the other Party or any third party, now or in the future except those expressly set forth herein.
- 5.5 Each Party represents and warrants that it is not presently the subject of a voluntary or involuntary petition in bankruptcy or the equivalent thereof, does not presently contemplate filing any voluntary petition, and does not presently have reason to believe that an involuntary petition will be filed against it.
- 5.6 Other than the express warranties set forth in this Article 5, the Parties make NO OTHER WARRANTIES, EXPRESS OR IMPLIED.

## **6. Term and Termination**

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- 6.1 This Agreement is effective as of the Effective Date and will be in force and effect for a term of five years (5 years) after the Effective Date ("Initial Term"), unless terminated earlier by Licensor in accordance with Section 6.3 or Section 6.4, or extended as per Section 6.2 (whatever duration of this Agreement applies is referred to as "Term").

- 6.2 The Initial Term of this Agreement shall automatically be extended for subsequent periods of five years (5 years) after the expiry of the Initial Term or any subsequent five years (5 years) period(s), unless a Party provides written notice of termination to the other Party no later than six months (6 months) before expiry of the Initial Term or expiry of any subsequent five years (5 years) period(s) ("Extended Term"). In the event that this Agreement expires, Licensee hereby, on behalf of itself and its Licensee Affiliates, represents and warrants that as of the date on which this Agreement expired, Licensee and Licensee Affiliates shall immediately cease to Make and/or Sell AV1 Products, unless Licensee and its Licensee Affiliates has/have otherwise acquired separate licenses under the AV1 Patents.
- 6.3 In the event of a material breach of Licensee, Licenser has the right to terminate this Agreement with immediate effect. In the event of failure of Licensee to comply with Section 8.6, in particular with respect to Export Regulations, Licenser is entitled to terminate this Agreement with immediate effect and without Licenser incurring any liability. In the event that this Agreement is terminated by Licenser, Licensee, on behalf of itself and its Licensee Affiliates, represents and warrants that at the time of said termination of this Agreement, Licensee and Licensee Affiliates shall immediately cease to Make and/or Sell AV1 Products unless Licensee and/or Licensee Affiliates have otherwise acquired separate licenses under the AV1 Patents.
- 6.4 In the event of failure of Licensee to report royalties, provide due assistance and/or make payment for any due amounts, Licensee shall have thirty (30) days to remedy such failure, of which failure Licenser shall provide notice, until such failure shall be considered material breach. In the event aforementioned types of failure occur multiple times within the Term, Licenser may consider this a material breach with no further right for Licensee to remedy.
- 6.5 Licenser has a right to terminate the rights granted to Licensee under this Agreement with immediate effect in case that Licensee or any of Licensee's Affiliates asserts and/or has asserted a claim or brings a claim in a lawsuit or other proceeding against AV1 Patent Owner and/or Patent Owner Affiliates that any products of AV1 Patent Owner and/or Patent Owner Affiliates infringe any patents or patent applications owned or controlled by Licensee and/or Licensee's Affiliate, and such patent having at least one claim of which is either necessarily infringed or the practice of which, as a practical matter, cannot be avoided in remaining compliant with the AV1 Specification ("Licensee's AV1 Patents") and Licensee refuses to grant a license, covenant or release to AV1 Patent Owner and/or Patent Owner Affiliates on fair, reasonable and non-discriminatory terms and conditions under such Licensee's AV1 Patents. For clarity: In case of a termination as set forth herein-above, Licensee shall have no claim for a refund of any Compensation already paid. For further clarity: Rights granted to Licensee with respect to AV1 Products, for which Licensee has paid Compensation until the termination becomes effective, will remain covered by the respective grant of rights, however, AV1 Products not covered by the Compensation at this stage will be unlicensed as of the effective date of the termination.

## **7. Confidentiality and Publicity**

- 7.1 Each Party may disclose the existence of this Agreement, the relevant technology licensed under this Agreement, and that this Agreement is a license agreement under Sisvel's AV1 Pool/joint licensing program but shall not disclose to any third party any of the Confidential

Information including information concerning the content of this Agreement, except: (a) to its own affiliates are not considered third parties; (b) if such disclosure was done in an aggregated form, anonymizing any third party information; (c) if such disclosure was made by Licensor to a third party under a non-disclosure obligation with Licensor; (d) as provided for in this Agreement or with the prior written consent of the other Party; (e) to any governmental body specifically requiring such disclosure (e.g. customs for verification of license compliance to prevent seizure of goods); (f) for the purposes of disclosure in connection with any possible financial or regulatory filings, reports or disclosures that may be required under applicable laws or regulations; (g) to a Party's accountants, legal counsel, tax advisors and other financial and legal advisors, subject to obligations of confidentiality and/or privilege at least as stringent as those contained herein; (h) if disclosure is demanded by a subpoena, order from a court or governmental body, or as may otherwise be required by law or regulation, or as necessary in proceedings to establish rights under this Agreement, and, if legally possible, subject to a protective order or written agreement between counsel that such disclosure shall be limited to "Attorneys' Eyes Only"; and, in the case disclosure is pursuant to a protective order, such protective order shall provide, to the extent practicable, that any disclosure under a protective order would be protected under an "Attorneys' Eyes Only" or higher confidentiality designation; or (i) if the information is made publicly available by Licensee. If disclosure is made pursuant to this Section 7.1(h), it shall be limited to only those sections of this Agreement strictly necessary to comply with the order, request, law or proceeding, or to establish such rights. The Party making a disclosure under this Section 7.1(h) shall provide ten (10) days advance written notice to the other Party before making such disclosure, if legally permissible.

## 8. Miscellaneous

- 8.1 Any communication, including notices, relating to this Agreement shall be made in the English language, and sent either by e-mail, fax, certified mail with return receipt requested, or by overnight delivery by commercial or other service which can verify delivery to the following addresses and such notice so sent shall be effective as of the date it is received by the other Party:

for Licensor:	for Licensee:
<b>Sisvel International S.A.</b>	[_____]
AV1 Program Manager	Att.: [_____]
Immeuble Cubus C2	[_____]
2, rue Peternechen	[_____]
L-2370 Howald	[_____]
Grand Duchy of Luxembourg	[_____]
E-mail to: <a href="mailto:videocoding@sisvel.com">videocoding@sisvel.com</a>	E-mail to: [_____]
with cc: <a href="mailto:notice@sisvel.com">notice@sisvel.com</a>	

- 8.2 Each Party shall notify the other Party in writing of any change in the communication information contained in Section 8.1 within fifteen (15) calendar days of such change.
- 8.3 This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but which together shall be deemed to constitute a single document. The exchange of scan copies of signature pages shall be sufficient to execute this Agreement and any

communication and/or amendment, if any.

- 8.4 This Agreement may not be modified, altered, or changed in any manner whatsoever unless in writing and duly executed by authorized representatives of all Parties. The written form requirement also applies to this clause. The second sentence of Section 8.3 shall apply accordingly.
- 8.5 The Agreement is governed by and construed in accordance with the laws of Germany and irrespective of any choice-of-law principle that might dictate a different governing law. The courts of Mannheim, Germany, shall have exclusive jurisdiction for any and all disputes arising from or in connection with this Agreement.
- 8.6 Compliance with Laws. Licensee shall comply with all applicable laws and regulations as of the effective date stated in the relevant law or regulation, including any applicable Export Regulations and applicable tax withholding laws and regulations and shall not engage in any conduct that would cause Licensor or any AV1 Patent Owner to violate such laws and regulations. This sublicense is granted only to Sell, use and Make AV1 Products that do not violate such laws and regulations. For the avoidance of doubt and without limitation to the foregoing, Licensee is prohibited to Sell, use, Make, export or re-export, directly or indirectly, any AV1 Products from any place to the countries specified in EU Regulations 833/2014, 765/2006, 269/2014, and 2024/1745 and any amendments thereto. Licensee shall itself be responsible for monitoring such laws and regulations for any such prohibitions or restrictions and shall follow any instructions Licensor may issue relating thereto. Licensee shall indemnify Licensor and AV1 Patent Owners from any expense or damage resulting from Licensee's conduct that violates or is alleged to violate any such law or regulation or resulting in a violation or alleged violation of any such law or regulation by Licensor or any AV1 Patent Owner. This Section is an essential element of the Agreement.
- 8.7 This Agreement or any right or obligation thereof may not be assigned by Licensee without Licensor's prior written consent.
- 8.8 This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof and replaces any prior oral or written agreements between the Parties involving the same.
- 8.9 Should any individual provisions of this Agreement be invalid, this shall not affect the validity of the remaining provision of this Agreement as a whole. The Parties undertake to replace any invalid provision by a new provision which will approximate as closely as possible the economic and legal result intended by the invalid provision.

*[signature page follows]*

IN WITNESS WHEREOF, the Parties have caused this Agreement to become effective on the Effective Date.

**Sisvel International S.A.**

**[Licensee]**

Signature:

Signature:

Name:

Name:

Title:

Title:

Date:

Date:

Signature:

Name:

Title:

Date:

## Exhibit A

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### LICENSEE AFFILIATES

[ ]

## **Exhibit B**

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### **PATENTS LISTED PER AV1 PATENT OWNER**