

Zenith User Terms For Pro:Idiom Source Function Devices

Company (herein referred to as “Recipient) agrees to be bound to all the obligations and terms contained in this Zenith User Terms For Pro:Idiom Source Function Devices (“Pro:Idiom Terms”).

- 1. Definitions.** Capitalized terms not otherwise defined herein or in the agreement between Company and SONIFI which by reference and incorporation includes these Pro:Idiom Terms, shall have the definitions set forth in Attachment 1 which by this reference is incorporated in and made a part of these Pro:Idiom Terms.
- 2. Limited Rights granted.** Upon receiving a Source Function Device subject to this Agreement, Recipient shall have the rights to (i) use the Transcoders to receive Commercial Audiovisual Content transmitted to the public by a Multichannel Video Program Distribution System and to encrypt that content, and only that content, using Pro:Idiom in accordance with the Specification for transmissions to Pro:Idiom Licensed Products containing Pro:Idiom Sink Functions within the Hospitality Environment, (ii) use Head End Source Function Devices in the head end of its Hospitality Environment PPV system to encrypt only on demand Commercial Audiovisual Content and/or audio, and (iii) subject to SONIFI’s right of first refusal, to sell, offer for sale, or distribute the Source Function Devices to entities that are then Pro:Idiom Adopters, and only to such Pro:Idiom Adopters. Recipient shall additionally execute and deliver to SONIFI such documents as are necessary to create a security interest in favor of SONIFI in such Source Function Devices, and permitting SONIFI to file such documents as are necessary to perfect such security interest. Except for the rights granted in this Section, both Zenith Electronics LLC and SONIFI Solutions, Inc. reserve all of their respective intellectual property and other rights with respect to Source Function Devices and the methods, systems and software used in combination with such Pro:Idiom Source Function Devices. Further information regarding Pro:Idiom may be found at <http://www.zenith.com/licensing/>.
- 3. Additional Limitations.** The rights granted in section 2 above do not include the right to own and or operate standalone encryption equipment capable of encrypting pay per view content. The Recipient further acknowledges that, with respect to Transcoders, these rights only apply to the standalone operation of Transcoders and that the combination of Transcoder operation with any other Pro:Idiom system element, such as PPV encryption or tuning conducted over system provider interfaces, requires a full Pro:Idiom System Provider agreement.
- 4. Marking Requirement.** Recipient shall configure Pro:Idiom Sink Function devices (e.g., television sets that receive transmissions from Source Devices) with information that can be used to trace the source of a Pro:Idiom signal back to the individual Pro:Idiom Source function prior to any use and maintain the accuracy of such configuration to reflect any future changes using a “stand alone” methodology supplied by a licensed Pro:Idiom Adopter.
- 5. No modification.** Recipient shall not modify Source Function Devices, by hardware or software or otherwise, or alter their operation or function in any way.
- 6. No disclosure or reverse engineering.** Source Function Devices include and embody confidential and proprietary information that is the property of Zenith Electronics LLC and/or its affiliates. Recipient shall neither reverse engineer the Source Function Devices, nor disclose any confidential or trade secret information embodied in such devices to others.
- 7. Renewal.** Recipient acknowledges that in the event of a Pro:Idiom security breach, a renewal of the Pro:Idiom system may be required. Such renewal may include Recipient’s Source Function Devices and other devices containing a Pro:Idiom Sink Function (e.g., television sets that receive transmissions from Source Function Devices). In the event such renewal is required, Recipient acknowledges and accepts that some disruption in operation of its affected Source Function Devices is likely, and that Recipient will need to perform steps in the renewal process, as directed by Zenith, SONIFI, a Pro:Idiom Adopter or a Multichannel Video Program Distribution System operator, in order to reactivate such Source Function Devices. Recipient hereby agrees to hold harmless Zenith, SONIFI, Pro:Idiom Adopters, and, if instructions are received from a Multichannel Video Program Distribution System operator, such operator, from any disruption in operation of its Source Function Devices resulting from a renewal process initiated pursuant to the Pro:Idiom Content Protection System Agreements. Aspects of the renewal obligation are further addressed in Attachment 1.

8. Indemnification. Recipient shall defend, indemnify and hold harmless SONIFI and its Affiliates and their respective officers, members, representatives, agents, directors, equivalent corporate officials, and employees from and against any and all damages, costs and expenses (including without limitation reasonable attorneys' fees and related expenses) to the extent arising from any breach of these Pro:Idiom Terms by Recipient.

ATTACHMENT 1 TO Pro:Idiom Terms

DEFINITIONS

“Commercial Audiovisual Content” means copyrighted works that consist of a series of related images that are intrinsically intended to be shown by the use of machines, or devices such as projectors, viewers or electronic equipment, together with accompanying sounds, if any, regardless of the nature of the material objects, such as films or tapes, in which the works are embodied, provided for performance by transmission through the system of a Pro:Idiom System Provider to the occupants of hotels, motels or other establishments in the Hospitality Environment, either generally or on demand.

“Field of Use” means the use of Pro:Idiom in the Hospitality Environment in accordance with the Specification and the Pro:Idiom Compliance Rules (as set forth in a Pro:Idiom Content Protection System Agreement) to encrypt and decrypt Pay-Per-View, Video-on-Demand, Pay Television Transmissions, and Non-Premium Subscription Television programming, and transmissions of Commercial Audio Visual Content using Undefined Business Models that are permitted to be encoded Copy Never or Copy One Generation pursuant to the process set forth in 15 C.F.R. § 76.1906, as that regulation existed on July 1, 2004.

“Fixed Keys” has the meaning set forth in the Specification

“Head End Source Function Device” means a device including a Pro:Idiom Source Function, other than a Transcoder, installed with the sole purpose of operating as part of and in the head end of a Hospitality Environment for encrypting only on demand Commercial Audiovisual Content and/or audio.

“Hospitality Environment” means any commercial location, facility or conveyance that provides temporary accommodation, lodging, housing or in-patient care including, but not limited to, hotels, motels, timeshare units, truck stops, hospitals, cruise ships, airplanes, and the like.

“Multichannel Video Program Distribution System” means a system that makes available for purchase, by subscribers or customers, multiple channels of video programming. Such systems include, but are not limited to, cable systems, multichannel multipoint distribution systems, and direct broadcast satellite systems.

“Pro:Idiom” means the methods of key generation, encryption, decryption, key modification, key renewal and forensic marking defined in the Specification.

“Pro:Idiom Adopter” means a Pro:Idiom Content Participant, Pro:Idiom Manufacturer, or Pro:Idiom System Provider.

“Pro:Idiom Content Protection System Agreement” Means the Pro:Idiom license agreement between Zenith electronics and parties who wish to own and operate Pro:Idiom encryption equipment for both pay per view applications as well as the distribution of “free to guest” content.

“Pro:Idiom Manufacturer” means an entity that has entered into a Pro:Idiom Content Protection System Manufacturer Agreement with Zenith.

“Pro:Idiom Protected Content” means Commercial Audiovisual Content encrypted using Pro:Idiom.

“Pro:Idiom Licensed Product” means a product that (i) has been produced under authority of a Pro:Idiom license, (ii) uses, implements or incorporates Pro:Idiom as defined in the Specification, (iii) complies with the Pro:Idiom Compliance Rules, and (iv) is intended for use within the Field of Use.

“Pro:Idiom Sink Function” means a function in a product or component that decrypts Pro:Idiom Protected Content received from a Pro:Idiom encrypted transmission.

“Pro:Idiom Source Function” means a function in a product or component that encrypts Commercial Audiovisual Content using Pro:Idiom.

“Pro:Idiom System Provider” means an entity that has entered into a Pro:Idiom Content Protection System Provider Agreement with Zenith.

“Specification” means, collectively, the documents entitled “Level 1 Manufacturer Implementation Specification Version 1.0,” and “Level 2 Manufacturer Specification Version 1.0,” as such documents may be amended in accordance with this Agreement.

“Transcoder” means a Pro:Idiom Licensed Product consisting of a single integrated, self-contained unit containing a Pro:Idiom Source Function that is designed to receive Commercial Audiovisual Content transmitted to the public by a Multi-channel Video Program Distribution System and to encrypt that content and only that content using Pro:Idiom.

Key Renewal

General. The Specification includes means by which the system may be renewed, causing receiving devices in the field with old Fixed Keys to be unable to decrypt content protected by Pro:Idiom using the newly-issued Fixed Keys.

Renewal Criteria. System renewal is appropriate in the event of clear evidence that Pro:Idiom Protected Content has been decrypted other than by a Pro:Idiom System Provider exercising its rights under a Pro:Idiom Content Protection System Provider Agreement. For avoidance of doubt, a copy of Pro:Idiom Protected Content made by (i) optical coupling or (ii) defeat of security measures in place between a Pro:Idiom Licensed

Product and a display device shall not be the basis for system renewal. Multiple copies of digital files recovered with forensic marking intact from non-authorized sources would constitute clear evidence of a security breach and would be grounds for a key renewal.

Recipients Obligations and Process for Implementing Renewal. Upon Zenith's announcement of a renewal, SONIFI will promptly provide effected Recipients with a new Fixed Key set ("Renewed Keys"). SONIFI shall install the Renewed Keys in any Pro:Idiom Licensed Product covered by this Agreement within thirty (30) days following Recipient's receipt of the Renewed Keys.

"Source Function Device" means a Transcoder or a Head End Source Function Device.