

Licensed Category and Fee Schedule

1. Licensed Category and Royalty

✓	Category	✓	Type of Licensed Products	Royalty
<input type="checkbox"/>	Host Device	<input type="checkbox"/>	Prepared Content Device	US\$0.20 per unit
		<input type="checkbox"/>	Prepared Content Downloader	
		<input type="checkbox"/>	Self-Encoding Content Device	
		<input type="checkbox"/>	Self-Encoding Content Downloader	
<input type="checkbox"/>	Host Device Component	<input type="checkbox"/>	Component for Prepared Content Device	US\$6,000 per year
		<input type="checkbox"/>	Component for Prepared Content Downloader	
		<input type="checkbox"/>	Component for Self-Encoding Content Device	
		<input type="checkbox"/>	Component for Self-Encoding Content Downloader	
<input type="checkbox"/>	Storage Device	<input type="checkbox"/>	NSM SD Card	US\$0.14 per unit
		<input type="checkbox"/>	NSM USB Mass Storage Device	
<input type="checkbox"/>	Storage Device Component	<input type="checkbox"/>	Controller for NSM SD Card	US\$6,000 per year
		<input type="checkbox"/>	Controller for NSM USB Mass Storage Device	
<input type="checkbox"/>	NSM SD Card Reader/Writer or its Component			US\$1,000 per year
<input type="checkbox"/>	Tool	<input type="checkbox"/>	Professional Content Creation Tool	US\$1,000 per year
<input type="checkbox"/>	Flash Memory	<input type="checkbox"/>	Flash Memory	*1 US\$600,000 per year; US\$900,000 per year; US\$1,200,000 per year

In the event a Licensed Product covers more than one type of Licensed Products in the same Licensed Category, there is no need to pay royalty more than a single royalty for a Licensed Product.

*1: US\$600,000 per year if Adopter's annual sales turnover of NAND flash memory is less than US\$500,000,000;
US\$900,000 per year if Adopter's annual sales turnover of NAND flash memory is US\$500,000,000 or more and less than US\$1,000,000,000; and
US\$1,200,000 per year if Adopter's annual sales turnover of NAND flash memory is US\$1,000,000,000 or more.

2. Annual Fee

Adopter shall pay LLC US\$10,000 per year.