

NEC PATENT POLICY ON 7 kHz AUDIO CODING WITH 64 kbit/s

NEC will grant, at the request of any user and subject to procedures under applicable law, non-exclusive, royalty-free licenses under its Patents to such user solely for its use in complying with the Recommendation, but on condition that any party owning or controlling Patents also grant to NEC and its majority-controlled subsidiaries royalty-free licenses under such party's Patents for use in complying with the Recommendation.

NEC will consider, at the request of any user, alternative licensing arrangements on reasonable terms and conditions.

As used herein,

- (1) "Patents" means patents for inventions made prior to the C.C.I.T.T. adoption of the Recommendation which patents are owned or controlled by the grantor (and in case NEC is the grantor, by its majority-controlled subsidiaries) provided, however, that in no event will any licenses contemplated in this statement include licenses under any patent the use of which is not essential to meeting the Recommendation or which can be avoided by those skilled in the art through the exercise of their best efforts.
- (2) "Recommendation" means a recommendation by the C.C.I.T.T. for a preferred algorithm for processing 7 kHz audio signals to be transmitted within 64 kilobit-per-second using sub-band adaptive differential pulse code modulation and which is temporarily called Recommendation G.72X as at June 1986.

NEC Corporation

  
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Vice President

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