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VIA FACSIMILE AND FEDEX

Mr. H. Zhao
Director, Telecommunication Standardization Bureau
International Telecommunication Union
Place des Nations
CH-1211 Geneva
Switzerland

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Re: **Intel Patent Policy for Recommendations G.989.2 and G.993.1**

Dear Mr. Zhao:

This letter sets forth Intel Corporation's ("Intel") patent licensing policy regarding G.989.2, *Phone-line Networking Transceivers - Physical, MAC and Link Layer*, and G.993.1, *Very-high-speed Digital Subscriber Line Foundation*. Intel has not performed a search of its patent portfolio for the purpose of determining whether Intel has any relevant patents or patent applications (collectively "Intellectual Property Rights" or "IPR"). Intel is not willing to waive its rights in its relevant IPR, if any.

Intel is willing however, to negotiate licenses for its relevant IPR on reasonable and non-discriminatory terms and conditions provided that G.989.2 and G.993.1, as Consented at the 26 October, 2001 meeting of ITU-T SG15, is adopted by the ITU without any substantive changes or additions. In particular, Intel is willing to negotiate nonexclusive, worldwide licenses under its relevant IPR to allow the manufacture, use, sale, offer for sale and importation of the portions of any product that implement and are compliant with all relevant portions of G.989.2 and G.993.1. Intel shall not grant licenses that extend to any part or function of a product that is not required to implement or comply with G.989.2 or G.993.1.

Intel's license grant may be conditioned upon the licensee's willingness to grant a reciprocal license under the licensee's IPR and IPR owned by parties with which licensee is affiliated. In determining license terms for its relevant IPR, Intel may refer to the royalty rates that a potential

licensee has set for its own IPR and IPR of parties with which it may affiliated. Intel also reserves the right to grant licenses to its IPR as part of a cross-license with any other party.

Please contact the Office of the General Counsel at Intel Corporation, +1 (408) 765-1125 concerning any licensing matters.

Very truly,



Naomi Obinata
Intel IP Counsel

cc: Ira Blumberg