PATENT STATEMENT

Source:

Northern Telecom Limited

Title:

Patent Statement Relating to CCITT Draft Recommendation H.261 - Video Codec for Audiovisual Services at p x 64 Kbit/s

Northern Telecom will, upon adoption of the Recommendation by CCITT, grant licenses under its Patent Claims on a non-exclusive basis and on non-discriminatory fair and reasonable terms to all users solely for their use in complying with the Recommendation, but on condition that any such user grants to Northern Telecom and its Subsidiaries, similar licenses under such user's Patent Claims, if any, for use in complying with the Recommendation.

The grant by Northern Telecom will be for licenses to make, have made, use, sell, lease and import any equipment complying with the Recommendation.

Any application for a license under Northern Telecom's Patent Claims pursuant to this Patent Statement should be made to:

Director, Licenses
Patents and Licenses Department
P.O. Box 458, Station A
Mississauga, Ontario
L5A 3A2

As used herein,

"Patent Claim" means any claim of patents for inventions made prior to the adoption of the Recommendation which patents are owned or controlled by the grantor (Northern Telecom or the user) or its Subsidiaries; provided, however, that in no event will licenses granted pursuant to this commitment include licenses under any Patent Claim 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.

"Recommendation" means the approved recommendation corresponding to CCITT Draft Recommendation H.261 - Video Coding for Audiovisual Services at p x 64 Kbit/s.



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"Subsidiary" means any corporation, company or other entity more than fifty percent of whose voting shares or outstanding capital stock is owned or controlled directly or indirectly by Northern Telecom Limited.

Northern Telecom Limited

By:

P.T. Erickson

Vice-President, Patents and Licenses

Date: