CHANTILLEY CORPORATION LTD.

VGA-CMR Suite 7 Harley House Upper Harley Street London NW1 4PR

Tel: +44 -(0)71-224-2388 Fax:: +44 (0)71-486-4613

Mr. T. Irmer ITU-TSB Place des Nations CH 1211 GENEVA 20 Switzerland



17th May 1994

Dear Mr. Irmer,

The United Kingdom has submitted three contributions to Study Group 8 (COM 8 Nos. 59, 60, and 61) in which there is a reference to a Facsimile Key Management Scheme (Hawthorne Key Management System [HKM]) and a Stream Cipher (Hawthorne Facsimile Cipher [HFX]).

Chantilley Corporation Ltd. hold intellectual property rights on the Key Management System and the Cipher, and we would like to take this opportunity of advising you that if either or both are adopted as an ITU-T Recommendation, then we are willing to conform to Section 2.2 of the TSB Patent Policy. In other words, we are not prepared to waive our rights but will be willing to negotiate licences with other parties on a non-discriminatory basis on reasonable terms and conditions.

Yours sincerely,

Michael C. Downey Managing Director