

The Rules for RW Products Promotion Initiative Activities

1. Name

These activities shall be called the RW Products Promotion Initiative, which can be abbreviated to "RWPPPI".

2. Objectives

With the goal of providing customer satisfaction for users of products complying with the DVD-R/DVD-RW format, while facilitating their acceptance in the marketplace, the RWPPPI intends to deepen awareness and understanding among participating companies with respect to the following activities:

- (1) To propose standardized product specifications, such as how to indicate recording time.
- (2) To conduct joint product promotions and campaigns.
- (3) To promote and secure recording and playback compatibility among hardware and disc products.
- (4) To promote DVD-R/DVD-RW products for use as PC peripherals.
- (5) To exchange information on enhancing the efficiency of product development, such as the sharing of information of key parts.
- (6) To study the recording and playback compatibility between DVD-R/RW and future recording formats such as +RW, etc.
- (7) To exchange information concerning the trend on legislation for copyright protection in each country.

3. Qualifications for Participation

Any company that satisfies the conditions described below can participate in these activities.

- (1) Agree to the objectives listed in Section 2 and be able to contribute to them.
- (2) Fill out the prescribed application form and apply for participation.
- (3) Pay the participation fee to the Secretary Office as stipulated by these Rules.

4. Withdrawal

A participant may withdraw from these activities at any time at its sole discretion. Participation fees that have already been paid, however, cannot be refunded. Withdraw shall not incur any obligation on the part of the withdrawing company.

5. Recommended Reference

- (1) In order to share among the participating companies fair and reasonable recommendations and proposals concerning the objectives listed in Section 2 of these Rules, the RWPPPI shall issue its Recommended Reference (hereafter referred to as RR) as the fruits of these activities.
- (2) The Secretary Office shall produce a draft of the RR in English in writing and, with the majority consent of all participating companies, shall issue the RR under the RWPPPI name.
- (3) The Secretary Office shall distribute the RR without delay to all participating companies, and at the same time, actively publicize the RR to non-participating companies.

6. Freedom of Participating Companies

Each participating companies shall not be bound by any obligation affecting their product development, manufacture, or marketing by participating in these activities. Participating companies are free to apply or not to apply the RR specifications to their products. Participating companies are also free to develop, manufacture, and market products that do not comply with RR specifications.

7. Prohibition on Exchange of Information Concerning Product Release Dates, Prices, or Specifications

Participating companies are, in the course of these activities, prohibited from exchanging information concerning the release dates, prices, or specifications of their products.

8. Openness of Activities

Any information that participating companies disclose in the course of these activities shall not be treated as confidential but shall be treated as open to the public.

9. Harmonization with DVD Forum Activities

- (1) RWPPi activities shall be harmonized with the following activities of the DVD Forum, the technical standard setting body of the DVD format:
 - i) Promotion & Communication Committee (PCC) activities,
 - ii) Activities related to the DVD-Multi standard and
 - iii) Verification Policy Committee activities.
- (2) Each participating company shall be compliant with the followings.
 - i) License agreement of the DVD format and logo provided by the DVD Format/Logo Licensing Corporation,
 - ii) Non-disclosure agreements entered into among companies participating in the DVD Forum Working Group,
 - iii) Non-disclosure agreements concerning the purchase and subscription of the Specification Book, which is established by the DVD Forum and issued by the DVD Format/Logo Licensing Corporation and
 - iv) Other rules governing the operation of the DVD Forum.

10. Language

Discussions that occur at meetings in these activities shall be conducted in Japanese language.

11. Participation Fees

- (1) The accounting period of these activities shall be from April 1 to March 31 of the following year.
- (2) Participating companies shall remit a participation fee to the Secretary Office to cover various administrative expenses of the Office following the procedure specified in this rule.
- (3) The participation fee shall be ¥200,000 for each participating company per each participating year.
- (4) In principle, participation fees shall be paid annually by the end of April each year for that accounting period. For the first year (April 2000 through March 2001), however, the participation fee shall be paid by the end of July 2000.
- (5) A participating company may request to pay this fee in two installments. In this case, the first installment for the period from April 1 through September 30 shall be paid by the end of April and the second installment for the period from October 1 through March 31 of the following year shall be paid by the end of October.

- (6) If a new participant joins during the second half of an accounting year, the participation fee covering the remainder of that year shall be half the annual amount, i.e., ¥100,000.
- (7) If special expenses are incurred, the Secretary Office may collect an extraordinary fee after consulting with the participating companies.
- (8) Once a participation fee has been paid, it is not refundable.

12. Representative

Participating companies shall elect one person to represent them in the RWPPPI. This representative shall oversee these activities and serve a term of one year.

12bis. (Vice Representative)

Participating companies shall elect one person for Vice Representative. The Vice Representative shall assist the Representative and serve a term of one year.

13. Account Auditor

To maintain transparency concerning the accounting procedure of participation fees, one auditor shall be appointed to inspect the accounts and issue an audit report in June each year. The auditor shall serve a term of one year.

14. Secretary Office

The Secretary Office of the RWPPPI shall be located within the corporate Headquarters of Pioneer Corporation in Meguro, Tokyo. This Office shall perform the followings.

- (1) All administrative works related to the collection, administration, and accounting reports of the participation fees.
- (2) All administrative works related to holding meetings and conferences.
- (3) Issuing, administering, and publicizing the RRs, including uploading them to a web site.
- (4) Compiling a Directory of Participating Companies, keeping the Directory current, and distributing the Directory to participating companies.
- (5) All other administrative works required for the maintenance of these activities.

15. RWPPPI U.S. Liaison Office

- (1) RWPPPI U.S. Liaison Office, consisting of the RWPPPI U.S./Canada members, is located within the premises of Pioneer North America, Inc. (2265 East

220th Street, Long Beach, CA 90810, USA). The office shall undertake the following tasks.

- i) Promotion of RWPPI activities and soliciting new members in the U.S. and Canada.
 - ii) Maintenance and distribution of the U.S./Canada members list.
 - iii) Coordination of collaborative joint promotion activities in the U.S. and Canada.
 - iv) Taking care of mass communication media in the U.S. and Canada.
 - v) Informing the U.S./Canada members of discussion development at RWPPI Headquarters in Tokyo.
 - vi) Other communication between the U.S./Canada members and RWPPI Headquarters in Tokyo.
 - vii) Notwithstanding the provision in Section 11 and 14, collection and maintenance of money from U.S./Canada members to reimburse reasonable and necessary expense incurred by RWPPI U.S. Liaison Office for its local activity. Such task of the office shall be the subject of audit report to the RWPPI Secretary Office in Tokyo.
- (2) Any U.S./Canadian company that satisfies the requirements set forth in Section 3 of this Rules is eligible to be enrolled in the RWPPI U.S./Canada members.
 - (3) Enrollment application of the U.S./Canada members shall be processed at the RWPPI U.S. Liaison Office and it shall inform the RWPPI Secretary Office in Tokyo of such enrollment.
 - (4) Pursuant to Section 11, the U.S./Canada members shall pay participation fee to the RWPPI Secretary Office in Tokyo.
 - (5) The U.S./Canada members may be requested to pay for additional expense set forth in Section 15(1)(vii).
 - (6) Other provisions specified in this rules shall apply to the U.S./Canada members except Section 10.

15bis. RWPPI European Liaison Office

- (1) RWPPI European Liaison Office, consisting of the RWPPI European members, is located within the premises of PIONEER EUROPE NV. (Pioneer House, Hollybush Hill, Stoke Poges, Slough SL2 4QP, UK). The office shall undertake the following tasks.

- i) Promotion of RWPPI activities and soliciting new members in Europe.
 - ii) Maintenance and distribution of the European members list.
 - iii) Coordination of collaborative joint promotion activities in Europe.
 - iv) Taking care of mass communication media in Europe.
 - v) Informing the European members of discussion development at RWPPI Headquarters in Tokyo.
 - vi) Other communication between the European members and RWPPI Headquarters in Tokyo.
 - vii) Notwithstanding the provision in Section 11 and 14, collection and maintenance of money from the European members to reimburse reasonable and necessary expense incurred by RWPPI European Liaison Office for its local activity. Such task of the office shall be the subject of audit report to the RWPPI Secretary Office in Tokyo.
- (2) Any European company that satisfies the requirements set forth in Section 3 of this Rules is eligible to be enrolled in the RWPPI European members.
 - (3) Enrollment application of the European members shall be processed at the RWPPI European Liaison Office and it shall inform the RWPPI Secretary Office in Tokyo of such enrollment.
 - (4) Pursuant to Section 11, the European members shall pay participation fee to the RWPPI Secretary Office in Tokyo.
 - (5) The European members may be requested to pay for additional expense set forth in Section 15*bis*.(1)(vii).
 - (6) Other provisions specified in this rules shall apply to the European members except Section 10.

16. Registration of representatives of participating companies

All companies participating in these activities shall register the names and contact information of their representatives at the Secretary Office. The Office shall send all meeting notices and other materials to each participating company with attention to the person who is registered at the Secretary Office.

17. Revision of These Rules

The rules described here shall be revised only upon the majority consent of the participating companies.

(End of the Rules)

Revision History

1. Entire Section 15 was added by the approval of the fourth general meeting on December 12, 2000.
2. Section 11 (3) and (6) were revised to introduce new participation fee by the approval of the sixth general meeting on April 25, 2001.
3. Following were approved at the 13th general meeting on June 26, 2002.
 - Creation of Section 12*bis.* to establish “Vice Representative”,
 - Modification of Section 5(1)(2)(3), Section 6 and Section 14(3) to rename “Recommended Standard” to “Recommended Reference” were approved, and

 - Creation of Section 15*bis.* to establish RWPPi European Liaison Office.