



Royalty Rates
October 2017

Device Rates Structure for Trademark Licensees In-Compliance, Effective October 1, 2017

Device Category and Examples	Sales Price	Per-Device Royalty ⁽¹⁾ Main Profiles	Advanced Profiles Royalty ⁽¹⁾ (Each)	Advanced Profiles Royalty ⁽¹⁾ (All Three)	Annual Device Category Caps ⁽²⁾	Annual Enterprise Credits and Caps ⁽²⁾
Mobile Devices: Mobile Phone, Tablet, Laptop, PC	All price ranges	\$0.40/\$0.20	+\$0.10/0.05	+\$0.25/0.125	\$30MM \$20MM (If entity does not sell phones)	Annual Device Enterprise Cap \$40 million Annual Enterprise Credit \$25,000
Connected Home & Other Devices: <u>Consumer Products:</u> Set-Top Box, Game Console, Blu-Ray Player, Desktop PC, non-4k UHD+ TV, HEVC Software <u>Commercial Products:</u> Surveillance Cameras, Conferencing Products, Medical Imaging, Digital Signage	Devices \$40.00 or Less ⁽³⁾ \$20 or less \$20.01-\$30.00 \$30.01-\$40.00 Devices Above \$40.00 and HEVC Software (all price ranges)	\$0.20/\$0.20 \$0.25/\$0.25 \$0.35/\$0.35 \$0.80/\$0.40	+\$0.10/0.05	+\$0.25/0.125 +\$0.50/0.25	\$20MM	
4K UHD+ Television	All price ranges	\$1.20/\$0.60	+\$0.30/0.15	+\$0.75/0.375	\$20MM	

- (1) Royalties shown are Region 1/Region 2
- (2) Excludes HEVC Software
- (3) Applies to all Devices sold for \$40 or less, excluding HEVC Software



Content Distribution Rates Structure for Trademark Licensees In-Compliance

Content Distribution Category	Examples	Licensee	Royalties* All Profiles/Extensions	Annual Category Caps	Annual Enterprise Caps and Credits
Free Public Service TV Broadcast (All Means of Distribution)	Public TV	Public Service Broadcaster	Royalties Waived (Includes Must Carry Retransmissions)	N/A	<p>Annual Content Distribution Enterprise Cap \$5MM</p> <p>Annual Enterprise Credit \$25,000</p>
Free-to-End User Commercial Content (All Means of Distribution)	100% Ad-Funded Commercial Broadcast TV and Internet Content Distribution	Content Distributor	Royalties Waived	N/A	
Title-by-Title	Pay-Per-View, OTT Streaming Rental, Download to Own	Content Distributor that receives payment from the End User	<u>Per Title</u> 2.5¢/1.25¢	\$2.5MM	
Subscription	OTT Subscription, Cable TV, Satellite TV	Content Distributor that receives payment from the End User	<u>Per Subscriber/Per Month</u> 2016-17: \$.005/\$.0025 2018-19: \$.015/.0075 2020+: \$.025/\$.0125	\$2.5MM	
Digital Media Storage	Blu-Ray disc, other storage devices	Content Creator-Studio for Sales Rental Firm for Rentals	<u>Per Disc/Title</u> \$.025/\$.0125	\$2.5MM	

* Royalties shown are Region 1/Region 2

 Thank You.

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