

HEVC Advance Cloud Services Overview



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Cloud Services Under the HEVC Advance Licensing Program

1. What is a Cloud Service?
2. General PPL Agreement Terms
3. Product Category and Royalty Rates

You can request the HEVC Advance PPL at:

<https://www.hevcadvance.com/request-a-license/>, or by contacting HEVC Advance.

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What is a Cloud Service

A **cloud service** is a term that refers to applications, services or resources made available to users on demand via the Internet from a **cloud computing** provider's servers.

With **cloud computing**, users can access files and use applications from any device that can access the Internet.

Cloud services provide many IT services traditionally hosted in-house or directly on the end user device, including (1) provisioning an application/database server from the cloud, (2) providing streaming and on-demand video services from the cloud, (3) replacing in-house storage/backup with cloud storage and (4) providing users access to software and applications directly from a web browser.

General PPL Agreement Terms

- The HEVC Advance PPL does NOT license HEVC decoders or encoders installed on **Cloud Service** computer servers that are used to provide the cloud-based services described in the prior slide.
- However, when the service provider makes a cloud-based HEVC encoder and/or decoder **available for use** by an end-user/end-user device, that is a licensable and royalty-bearing event.
- The reason is that when the cloud service software and applications providing HEVC encoding and decoding functions, such as advanced video editing software and other services, are made available to the end-user, HEVC functionality is provided to the end-user/end user's device just as if such functionality were incorporated in the end-user device itself.

Product Category and Royalty Rates

- HEVC Software made available for use to end-users through a cloud-based service is included in the Connected Home and Other Devices product category, and has an In-Compliance royalty rate of \$0.80 in Region 1 countries and territories and \$0.40 in Region 2 countries and territories.
- A single royalty is due from the cloud-based service provider for each end-user as of the date the HEVC Software is first made available for use by the end-user through the cloud service.
- Additional royalties per end-user are due once per year for each year the HEVC Software remains available for use by the end-user.

Contact HEVC Advance for Further Information

HEVC Advance recognizes that cloud service providers may have different business models for their cloud service offerings. Please contact HEVC Advance to discuss how our licensing program addresses your particular business model.

 Thank You.

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