



Licensing Incentive Framework for Technologies ("LIFT"): Past Use 1/6

Past Use Theoretical Liability ("PUTL")

Determination of new licensee Past Use Theoretical Liability based on the assumed royalty rate





Licensing Incentive Framework for Technologies ("LIFT"): Past Use 2/6

Past Use Theoretical Liability ("PUTL")

Determination of new licensee Past Use Theoretical Liability based on the assumed royalty rate

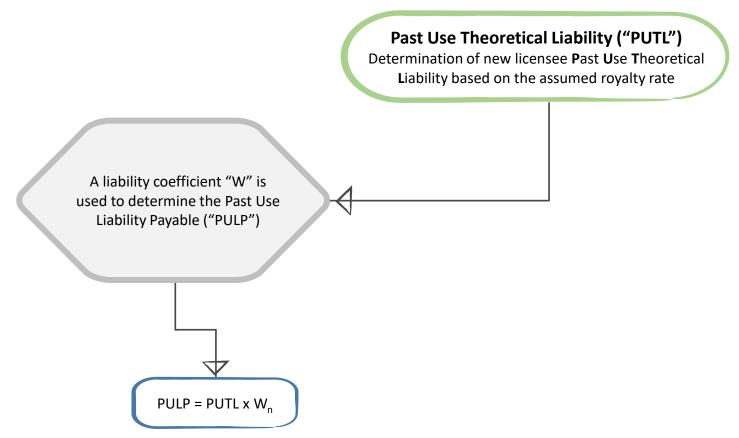
A liability coefficient "W" is used to determine the Past Use Liability Payable ("PULP")

Licensable Market Penetration ("LMP")	Coefficient W ("W")
0% ≤ LMP < 5%	10%
5% ≤ LMP < 15%	15%
15% ≤ LMP < 25%	30%
25% ≤ LMP < 35%	45%
35% ≤ LMP < 45%	60%
45% ≤ LMP < 55%	80%
55% ≤ LMP	100%





Licensing Incentive Framework for Technologies ("LIFT"): Past Use 3/6

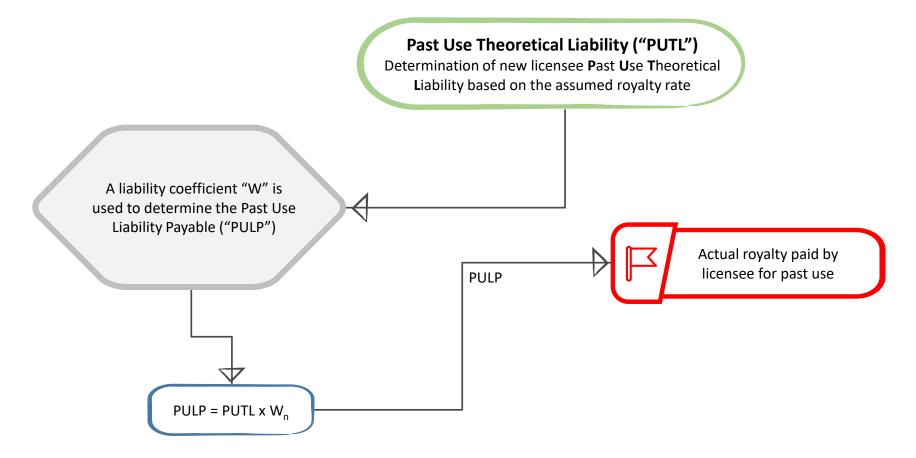






Licensing Incentive Framework for Technologies ("LIFT"): Past Use

4/6







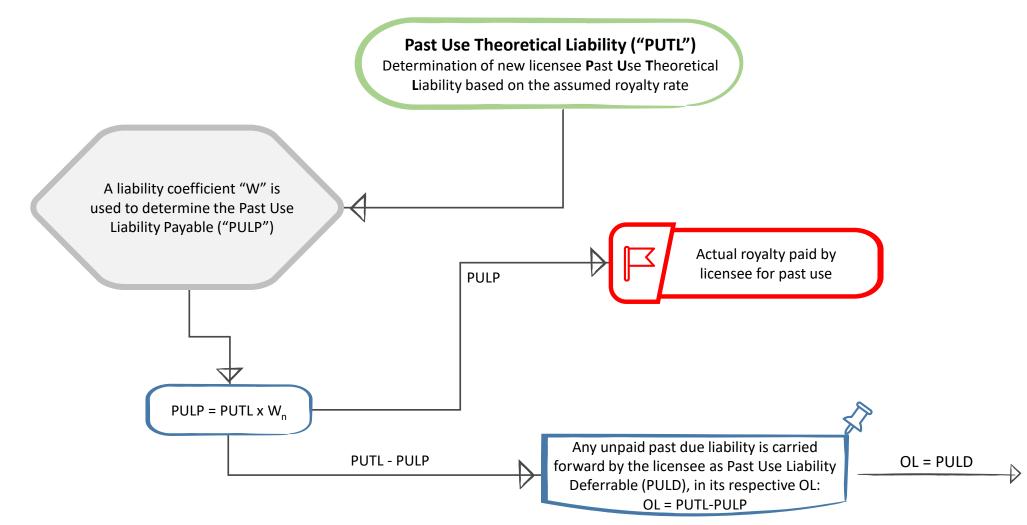
Licensing Incentive Framework for Technologies ("LIFT"): Past Use

5/6 Past Use Theoretical Liability ("PUTL") Determination of new licensee Past Use Theoretical Liability based on the assumed royalty rate A liability coefficient "W" is used to determine the Past Use Liability Payable ("PULP") Actual royalty paid by licensee for past use **PULP** PULP = PUTL x W_n Any unpaid past due liability is carried PUTL - PULP forward by the licensee as Past Use Liability Deferrable (PULD), in its respective OL: OL = PUTL-PULP





Licensing Incentive Framework for Technologies ("LIFT"): Past Use 6/6







Licensing Incentive Framework for Technologies ("LIFT"): Running 1/10

Running Royalty Theoretical Liability ("RRTL")

based on the assumed royalty rate is determined in each quarter





Licensing Incentive Framework for Technologies ("LIFT"): Running 2/10

A liability coefficient "W" is determined quarterly. W is used to determine both Running Royalty Payable ("RRP") and Running Royalty Deferrable ("RRD") Running Royalty Theoretical Liability ("RRTL") based on the assumed royalty rate is determined in each

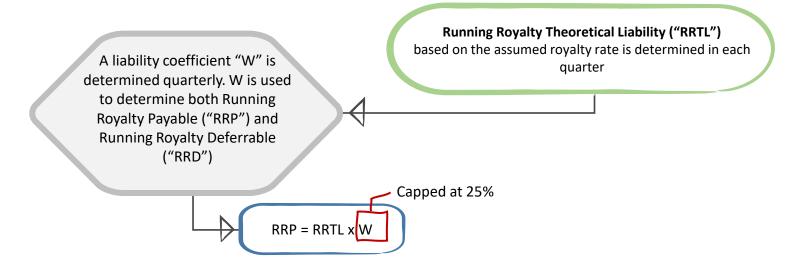
quarter

Licensable Market Penetration ("LMP")	Coefficient W ("W")
0% ≤ LMP < 5%	10%
5% ≤ LMP < 15%	15%
15% ≤ LMP < 25%	30%
25% ≤ LMP < 35%	45%
35% ≤ LMP < 45%	60%
45% ≤ LMP < 55%	80%
55% ≤ LMP	100%





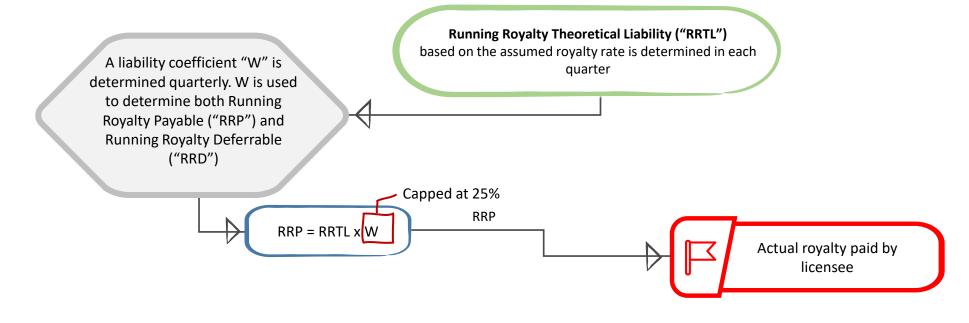
Licensing Incentive Framework for Technologies ("LIFT"): Running 3/10







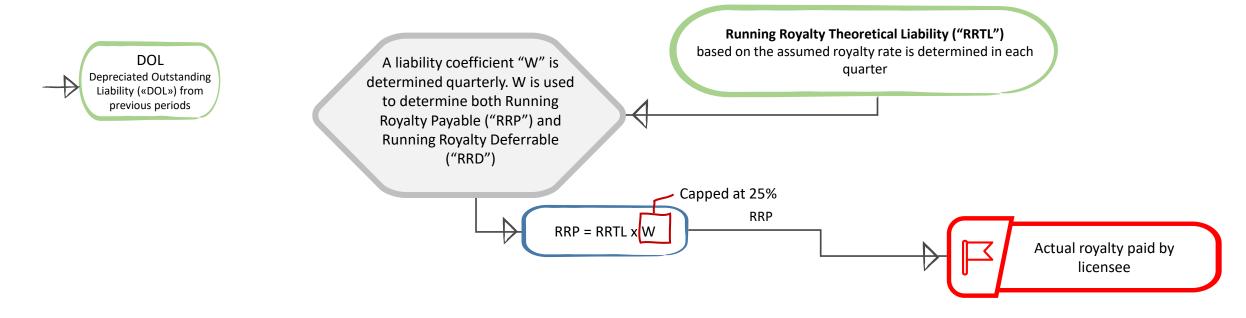
Licensing Incentive Framework for Technologies ("LIFT"): Running 4/10







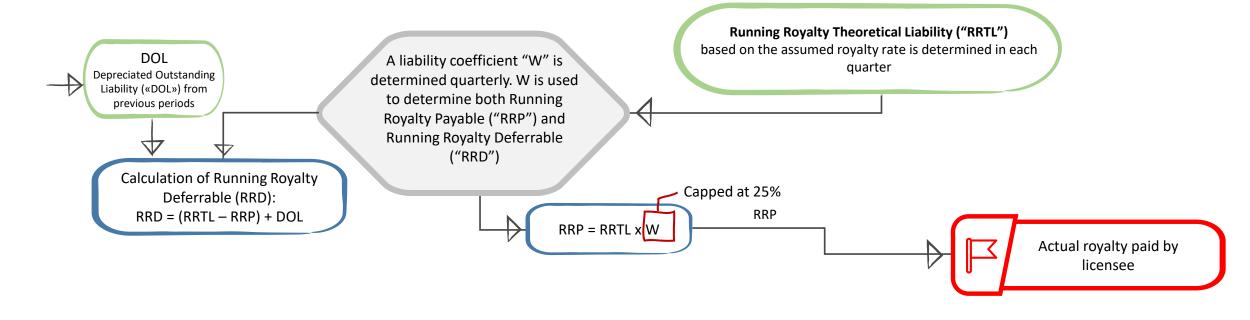
Licensing Incentive Framework for Technologies ("LIFT"): Running 5/10







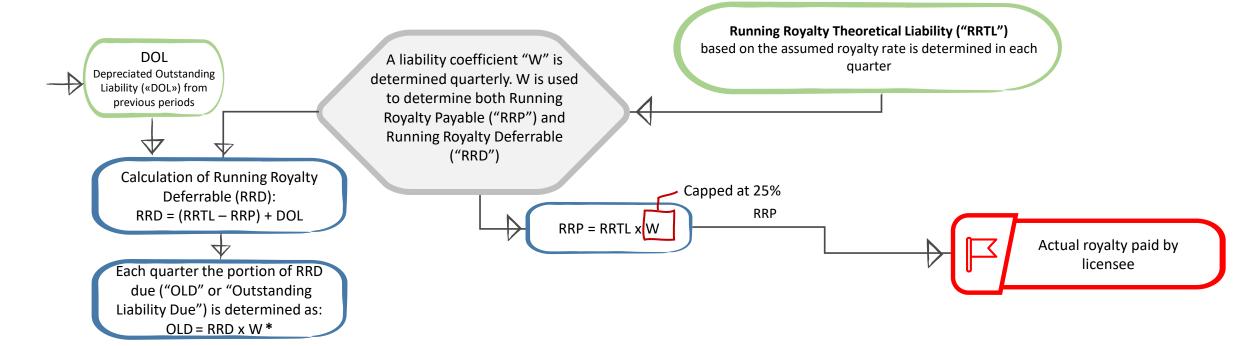
Licensing Incentive Framework for Technologies ("LIFT"): Running 6/10







Licensing Incentive Framework for Technologies ("LIFT"): Running 7/10

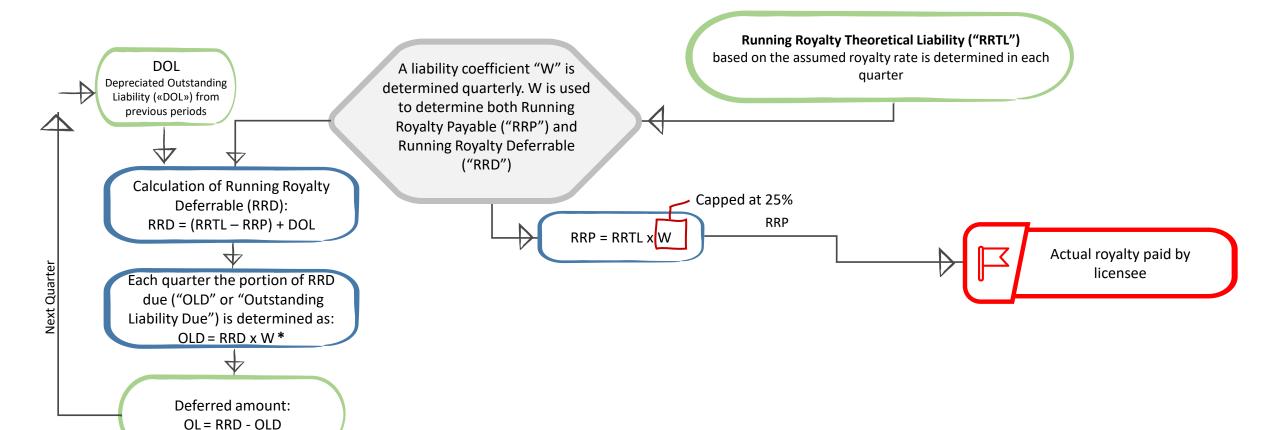


^{*} The difference between RRD and OLD is deferred





Licensing Incentive Framework for Technologies ("LIFT"): Running 8/10

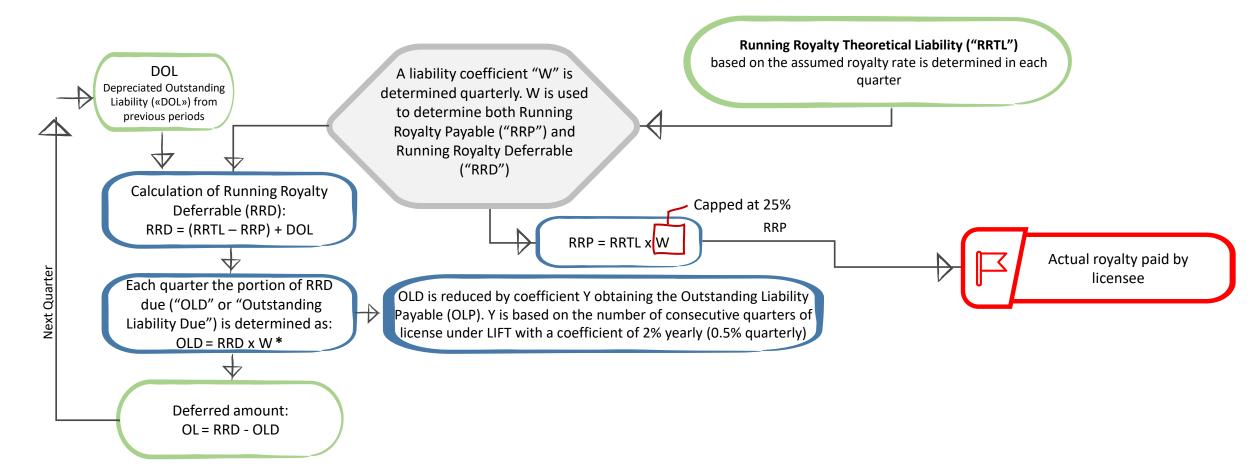


^{*} The difference between RRD and OLD is deferred





Licensing Incentive Framework for Technologies ("LIFT"): Running 9/10

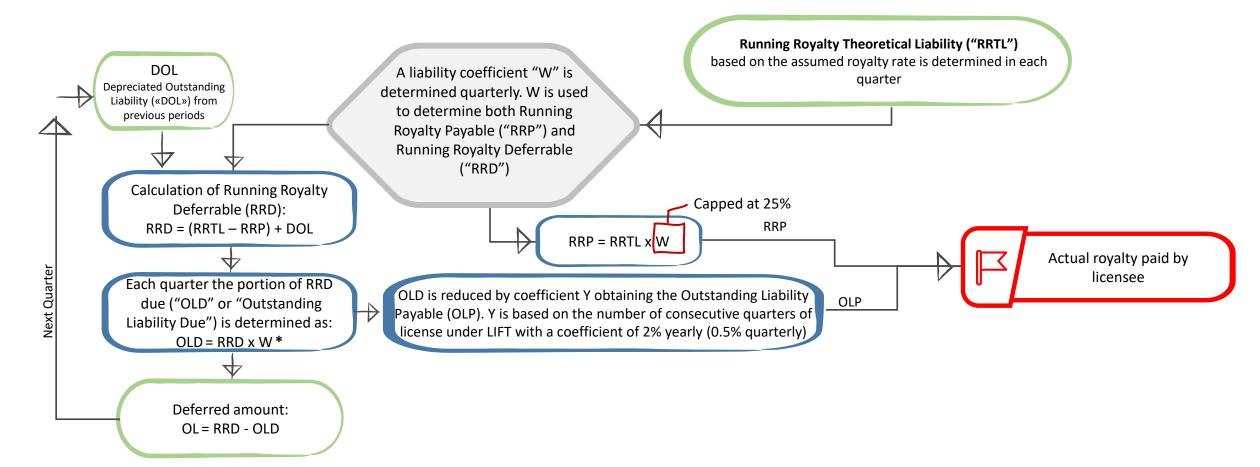


^{*} The difference between RRD and OLD is deferred





Licensing Incentive Framework for Technologies ("LIFT"): Running 10/10



^{*} The difference between RRD and OLD is deferred