

Executive summary of the Prime Alliance IPR Policy

In short, the principles governing the policy are as follows :

1. Submission of Specifications and grant of licenses on Necessary IPR related thereto

1.1 Members submit specifications ("Proposed Specifications") to a Prime working group for adoption as an official Prime specification ("Adopted Specification");

a. together with his submission, each Submitter should send a list of Necessary IPR it owns (together with a statement that further to a Reasonable and Good Faith Inquiry that list is exhaustive and the Necessary IPR of the Submitter do not infringe third parties' IPR;

b. Members other than the Submitter should on the basis of a Reasonable and Good Faith Inquiry (30 days) verify whether they own any Necessary IPR with regard to the Proposed Specification of another Member;

1.2 With regard to a Necessary IPR under a. or b. above, the Member concerned shall grant to the other Members:

a. IN PRINCIPLE, a non exclusive, worldwide, non transferable, non royalty bearing license with no right to sublicense on identified Necessary IPRs for use of the Proposed Specification. The license should only be granted once the Proposed Specifications are adopted for the duration of the Necessary IPRs. The Licensee shall grant to the Licensor a reciprocal license on its own Necessary IPR.

The scope of the above licenses is limited:

(i) to the transmission of any communication using the PRIME Specifications and/or (ii) to make, have made, use, import, sell, offer to sell, promote or otherwise distribute and dispose of the Fully Certified products.

The license may only be terminated in limited cases (breach, liquidation/receiver, proceedings initiated by licensee against licensor for infringement of necessary IPR).

("Royalty Free License")

b. EXCEPTIONNALLY, in the event a Member identifies with regard to another Member's submission, Necessary IPR it owns (see 1.1 b. above), a license under the same terms as 1.2 a. but FRAND. For the sake of clarity, this exception only applies to Necessary IPR which are not included in the Member's own submission for a Proposed Specification. The exception, is subject to a certain procedure and timing (review period).

1.3 Also each Member shall grant to the other Members a license under the same terms as 1.2. a but FRAND with regard to their Extended Necessary IPRs.

2. Obligation with regard to Foreground related to specifications developed (i) by the Association or (ii) by Members or third parties upon request of the Association

- If research is performed by Members or third parties and paid by the Association, the Members/third parties shall where possible assign the IPR in the foreground to the Association, and if not possible grant a royalty free license to the Association.
- If research is performed by Members and not paid by the Association, the Members shall grant a royalty free license to the Association.
- Specific provisions relate to foreground jointly owned by Members and the Association (filing, ownership, etc.)

3. Obligation of the Association to grant a Royalty Free License to the Members with regard to Foreground or Necessary IPR it would own

4. A procedure is provided for the adoption of Adopted Specifications and certification of products compliant with the specifications

In short specifications are proposed by working groups (to which any members can participate) to the Board of Directors. The latter shall decide with a 75% majority whether the proposed specification is to be adopted.

With regard to certification, each member can submit its product to a recognised Test Provider. The Board of Directors shall then take the decision to recognize the product as Fully Certified based on the analysis of the Test Provider.

5. Resignation of members, termination or liquidation

In the event of resignation, royalty free licenses granted shall be revoked ex nunc and may be replaced by a FRAND license (the fee not exceeding the fee to be paid as a member) upon request of the resigning member. The resigning member may not terminate the licenses it already granted.

The same applies in the event of termination for breach by a member except the member shall then not be entitled to the aforementioned FRAND license and that the FRAND licenses already granted to him will also be terminated.

A procedure within the General Meeting is provided for the transfer of IPR in the event of liquidation of the Association.

6. Further articles relate to the filing of trademarks (10), modifications to the policy (11), confidentiality (12) and third party infringement proceedings (13)

7. Main Definitions used in the policy

"Extended Necessary IPRs" means those IPRs, with the exclusion of Excluded IPRs, including but not limited to claims of all patents and patent applications throughout the world, existing now or hereafter issued or filed, that a Member, as applicable, owns or has a right to, and that: (a) cover or directly relate to one or more of the Proposed Specifications and/or the Adopted Specifications within the FRAND Scope, as applicable; and (b) would be infringed by an implementation of any Proposed Specifications and/or Adopted Specifications within the FRAND Scope, as applicable, where such infringement could not have been avoided by another commercially reasonable non-infringing implementation of such Proposed Specifications and/or Adopted Specifications, as applicable, and such infringement is necessary to meet the implementation requirements of the Proposed Specifications and/or Adopted Specifications, as applicable. Extended Necessary IPRs shall not include any IPRs covering any enabling technologies that are used in the manufacture of products that comply with the Proposed Specifications and/or Adopted Specifications, but are not expressly designated in the Proposed Specifications and/or Adopted Specifications (*e.g.*, semiconductor manufacturing technology, compiler technology, object oriented technology, basic operating system technology, etc.). If a Member asserts that any IPR is not an Extended Necessary IPR on the basis that there is a commercially reasonable alternative to the infringing implementation of the Adopted Specification, such Member shall provide the Technical Working Group with sufficient documentation evidencing the availability of such a commercially reasonable alternative.

"FRAND Scope" means

- 1) any particular implementation of the specification such as Integrated Circuit Design (ICD) design, software code, reference design, schematics, circuitry; and

- 2) application extensions and internal device implementation algorithms that do not amount to any change to the specification but build on concepts/interfaces laid down in the specification

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"Reasonable and Good Faith Inquiry" includes, but is not limited to, a Submitter using reasonable efforts to identify and contact those individuals who are from, employed by, or otherwise represent the Submitter and who are known to the Submitter to be current or past participants in the development process of the Proposed / Adopted Specification. If the Submitter did not or does not have any participants, then a Reasonable and Good Faith Inquiry shall include, but is not limited to, the Submitter using reasonable efforts to contact individuals who are from, employed by, or represent the Submitter and who the Submitter believes are most likely to have knowledge about the technology covered by the Proposed / Adopted Specification.

"Royalty Free Scope" means the following items:

- 1) Physical layer (PHY, corresponding to the seven layer ISO-OSI model of networking stack) narrowband power line communication technology.
- 2) Media access protocol (MAC) that uses services of PHY layer to enable network formation, maintenance and scaling to facilitate data transport and other functionalities typical of the ISO-OSI model for this layer.
- 3) Logical link control (LLC) protocol or an adaptation layer for the same in order to facilitate use of an existing standard LLC, that makes use of underlying MAC layer. The technology in its present version includes the LLC and LLC-adaptation layers given below. The scope of PRIME technology, as defined here, leaves scope for future inclusion of additional LLC or LLC-adaptation layers (e.g. IPv6).
 - a. LLC-adaptation layer for IEC 61334-4-32
 - b. LLC definition, enabling convergence of IPv4 protocol stack on top of PRIME technology
- 4) Management plane which interfaces with all, PHY layer, MAC layer and LLC/LLC-adaptation layer for administrative and control functions.
- 5) Device management protocol (MGMT-Protocol). The technology in its present version specifies MGMT-Protocol that is designed to perform management within a PRIME network. The scope of technology, as defined here, leaves scope for future specification of MGMT-Protocol (or derivative adaptation to use an existing standard MGMT-Protocol) designed to perform PRIME device management from outside a PRIME network.
- 6) Data aggregation protocol (e.g webservices with relevant xml schema), reference architectures (e.g. DLMS) and data-schema (e.g. DLMS country specific companion specifications) for

specific use in meter-reading applications that define aggregation services offered by a PRIME based data-concentrator.

with the exclusion of the following items:

- 1) any particular implementation of the specification such as Integrated Circuit Design (ICD) design, software code, reference design, schematics, circuitry; and
- 2) application extensions and internal device implementation algorithms that do not amount to any change to the specification but build on concepts/interfaces laid down in the specification

"Specification" means (i) a technical and functional complete definition, and a complementary compliance test definition, of telecommunications architecture, protocols, messages and associated parameters, but with the specific exclusion of any particular implementation of the specification such as IC design, SW code, reference design, schematics, circuitry, etc. and (ii) application extensions that do not amount to any change to the Specification but build on concepts/interfaces laid down in Specification.

"Work" means all intellectual creations including, without being limited to, literary and artistic works, including works of art, computer programs and databases, artistic and industrial performances of performers, phonogram, film and database producers and broadcasting organisations, designs and models, inventions, know-how, trade secrets, trademarks, statutory and commercial denominations, domain names and any other intellectual creation, and including, without being limited thereto, all underlying information, data and intellectual creations, including, without being limited thereto, preparations, calculations, codes, specifications, formulae, composites of materials, research procedures, reports, preparatory design materials, prototypes, processes, drafts, pieces of work, studies, research results, experiments, trials, inventions, discoveries, data, know-how and software, on whatever medium.