

## HVD FORUM CHARTER

Approved 2<sup>nd</sup> March 2005  
As Amended as of 10<sup>th</sup> November, 2005  
As Amended as of 21<sup>st</sup> September, 2006  
As Amended as of 1<sup>st</sup> April, 2007  
As Amended as of 1<sup>st</sup> January, 2008

\* The Japanese language version of the Charter is the authentic copy.

## Article 1. Name

The name of the organization shall be "HVD FORUM" , called the "HVDF" for short, and its Japanese name shall be "HVD フォーラム".

## Article 2. Purpose

The HVDF is a voluntary association of Corporations, Academic organizations and other users of Holography System ("HS"), created for the following purposes;

- (1) to aim realizations of HS, that would be in the best interests of consumers and users,
- (2) to establish platform, such as R&D tools, and to exchange information in order to accelerate R&D of HS,
- (3) to establish standardizations for HS products,
- (4) to create and implement of test procedures and processes which assure the interoperability of HS products and services, and
- (5) to promote HS and HVDF activities through public statements, publications, trade shows, demonstrations, seminars and other programs established by the HVDF.

The HVDF was established as the "HVD Alliance" in 2004 with its main purpose of standardization of Holographic Versatile Disc (HVD). The HVDF is an organization for R&D, standardization and promotion not only of HVD, but also of overall Holography System.

## Article 3. Membership

Members of the HVDF ("Member" or "Members") shall conduct and cooperate activities in conformity with purposes of the HVDF. Members shall not be required to support the Formats that the HVDF promotes to the exclusion of other formats.

- (1) The HVDF has three classes of membership, the Regular Member, the Supporting Member and the Advisory Member.
- (2) The Regular member shall be open to any corporation or organization which agrees to the purposes of the HVDF, with the acceptance by the Steering Committee.
- (3) The Supporting Member shall be open to Drive manufacturers and Academic organization which agrees to the purposes of the HVDF and elects to join the HVDF as a Supporting Member, with the acceptance by the Steering Committee.
- (4) The Advisory Member shall be open to any organization which the Steering Committee accepts as a useful organization to the HVDF.
- (5) The Supporting Members and the Advisory Members shall not be entitled to vote at the General Meeting and shall be entitled to attend limited activities, which shall be stated separately.
- (6) Any subsidiary company more than fifty percent (50%) of whose voting rights a Member owns or controls directly or indirectly ("Subsidiary") shall be included in the membership for the Member. A Subsidiary, if it wishes, can also become an independent Member by paying a separate membership fee, however, it shall not be entitled to vote at the General Meeting even if it is a Regular Member.
- (7) Members may withdraw from membership in the HVDF at any time upon thirty (30) days' prior written notice to the HVDF Secretariat. The membership fee paid by a withdrawing Member shall not be refundable.
- (8) Membership in the HVDF shall terminate with respect to any Member which is more than ninety (90) days in default of payment of the annual membership fee after receipt of the invoice, such

membership shall be terminated retroactively as of the first date of the term for which such annual membership fee is due.

- (9) Membership in the HVDF shall terminate with respect to any Member which has materially breached the terms and conditions of this Charter, such membership may be terminated if such Member has not cured such breach within thirty (30) days after receiving a written notice thereof by the Steering Committee.

#### Article 4. Membership Fee

The annual membership fees for each class of membership are specified below ;

Regular Member : 600,000 Japanese Yen

Supporting Member : 50,000 Japanese Yen

Advisory Member : free

Those Members who join the HVDF on or after July 1 shall be entitled to a reduction of the annual membership fees for the first fiscal year to one half.

#### Article 5. Orgatnization

The HVDF shall be composed of the General Meeting, the Steering Committee, the Advisory Board, the Auditor, the Secretariat and several Sub-Committees specified in Article 12. .

#### Article 6. Officers

- (1) Each function's Officer and the number of authorized seats are ;

The Steering Committee : up to three (3) members, which shall be composed of one (1) Chair company and two (2) Vice-chair companies.

Chairs of each Sub-Committee : up to three (3) members.

The Advisory Board : up to five (5) members

The Auditor : one (1) member

- (2) The Steering Committee Members and Auditor shall be elected among candidates from the Regular members by a majority vote of all the Regular Members actually voting at the General Meeting.
- (3) The Chair company shall be elected among candidates from the Steering Committee Members by a majority vote of all the Steering Committee Members actually voting.
- (4) The Advisory Board Members shall be determined among all Member companies by recommendation of Steering Committee Member(s) and by a majority vote of all the Steering Committee Members.
- (5) The Chair of each sub-committee shall be elected among candidates from the Regular Members by recommendation of each sub-committee and by acceptance of the Steering Committee.

- (6) When the number of candidates is over the number of authorized seats at each election, the top several members equal to its authorized seats are elected as its officers. If there are several companies who get the same number of votes, the number of authorized seats can be increased.
- (7) The term of office for every officer is one year from January first and he/she can be reappointed. When elected in the middle of a fiscal year, the term of office terminates at the end of the fiscal year.

#### **Article 7. General Meeting**

- (1) A General Meeting of the HVDF shall be held upon the call of the Steering Committee, which shall be notified in writing (including e-mail) to all Members at least thirty (30) days prior to the scheduled meeting date. Only the Regular Members effective as of thirty (30) days prior to the General Meeting shall be entitled to vote at the General Meetings.
- (2) At each General Meeting, Membership Fee, an annual statement of the financial accounts for the past year and budget for the next year and the Steering Committee members shall be approved by a majority vote of all the Regular Members actually voting at the General Meeting. At a General Meeting, the presence in person or by a proxy of at least fifty percent (50%) of all the Members shall be required to constitute a quorum.
- (3) At each General Meeting, a summary of the HVDF's activities during the past year and Activity plan for the next year shall be reported by the Steering Committee.
- (4) The Steering Committee shall hold the General Meeting at least once in one fiscal year.

#### **Article 8. The Steering Committee**

- (1) The Steering Committee consists of the Steering Committee Members.
- (2) The Steering Committee shall have the authority to decide on the organization, policies and any other matters with respect to the operation of the HVDF.
- (3) All resolutions of the Steering Committee shall be adopted by a majority vote of the Steering Committee Members at present of the meeting.
- (4) The Chair of the Steering Committee shall organize the Steering Committee.

#### **Article 9. The Advisory Board**

- (1) The Advisory Board consists of the Advisory Board Members.
- (2) The Advisory Board shall propose the basic policy, operational matters and so on to the Steering Committee.

#### **Article 10. Auditor**

Auditor shall conduct audit of Financial report of the HVDF each year.

#### **Article 11. Secretary Office**

- (1) The Steering Committee shall have a Secretary Office.
- (2) The Secretary Office of the HVDF shall make arrangements of meetings, make and keep minutes and records of meeting, handle accounting matters of the HVDF, handle admission and withdrawal procedure of members, update members' list, maintain website, and perform other clerical and general administrative work related to activities of the HVDF.

## Article 12. Sub-Committees

(1) Promotion Committee (PC) shall conduct activities described as below with the purposes of Article 2 (2) and (5);

- Developing standardizations of and assistance for providing and acquiring Platform, such as R&D Tool.
- Information exchange among members through seminars.
- Information exchange by working together with outside organization, such as APIM (Research Center for Advanced Photonic Information Memories) and VHM (Volume Holographic Memory).
- Promotion of R&D for System, materials, media, parts, testers, application and so on.
- Public relations for the HVDF

(2) Working Group (WG) shall conduct activities described as below with the purpose of Article 2 (3);

- Making drafts of standard for products.
- Facilitation of public standardization by working together with Standard Development Organization, such as Ecma International and ISO.

(3) Verification Policy Committee (VPC) shall conduct activities described as below with the purpose of Article 2 (4);

- In order to ensure interchangeability of standards, to develop standardization and implement test methods.

## Article 13. Meetings

(1) Each meeting shall be held upon the call by its officer(s), which shall be notified in writing to its members at least fourteen (14) days prior to the scheduled meeting date.

(2) Officer(s) shall make minutes and records of the meetings and the Secretariat shall file them.

## Article 14. Collaboration with other organization(s)

(1) The HVDF may establish collaboration with other organization(s) and participate in such organization(s) in order to facilitate HVDF's activities. Such collaboration and participation shall require an approval by the Steering Committee.

(2) Only the Regular members may attend activities with other organization(s). Other level of members may attend them with approval of the Steering Committee and such organization(s).

## Article 15. Confidentiality

(1) Any information discussed and disclosed in or by the HVDF shall be non-confidential and treated as such under the Gentlemen's Agreement for the disclosure such information to outside of the HVDF.

(2) Regarding the useful information for the purposes of the HVDF, the members may provide information as confidential information to the HVDF. Any member can refuse receiving such information anytime. Member(s) who wish to refuse receiving any confidential information in HVDF activities, such members may be exempted from the application of this Article section (4) by prior written notification to the HVDF.

- (3) Member(s) who wish to provide confidential information to the HVDF, shall provide it with other members' consent of receiving, by specifying that the disclosing information is confidential so that other members can decide whether receiving it or not. In the event that member(s) fail to confirm other members' consent, such information shall be treated as non-confidential.
- (4) Confidential information specified in this Article Section (2) shall be applied the Nondisclosure clauses specified as below;
  1. The Receiving member(s) shall maintain the confidentiality of any Confidential Information disclosed by the Disclosing member(s) and shall not disclose, without the prior written consent of the Disclosing member(s), any Confidential Information to any person or entity other than the HVDF members, provided, however, that any of the following shall not be "Confidential Information":
    - (1) Information that was already publicly known prior to receipt thereof or thereafter becomes publicly known through no fault of the Receiving members;
    - (2) Information that the Receiving members can prove by legally sufficient evidence was already of written record in its files prior to receipt thereof;
    - (3) Information identical to disclosed information that the Receiving members can prove by legally sufficient evidence is subsequently lawfully obtained by the Receiving members without any duty of confidentiality or restriction on disclosure or use from a third party who is free to disclose the same.
    - (4) Information that is independently developed by the Receiving members without reference to information received from the Disclosing members.
  2. The Receiving members may disclose Confidential Information for the purpose of conducting the HVDF activities only to those officers or employees of the Receiving members who have agreed in writing not to disclose such Confidential Information to other officers or employees of the Receiving members
  3. When any of the members need to disclose Confidential Information to any third parties for the purpose of conducting the HVDF activities, such members shall obtain prior written consent of the Disclosing members, provided, however that such third parties have agreed in writing to the same obligations of confidentiality and restrictions on use as those to which the Receiving members are bound hereby.
  4. The Receiving members shall use Confidential Information only for the purpose of the HVDF.
  5. Promptly upon demand by the Disclosing members or at the end of the HVDF's activities, the Receiving members shall return to the Disclosing members or destroy, as demanded, all Confidential Information disclosed, including copies, reproduction notes, summaries and extracts.
  6. The duty of the Receiving members to protect Confidential Information expires three (3) years from the date of receipt of the Confidential Information from the Disclosing members.
  7. These Nondisclosure clauses shall survive after members' withdrawal from the HVDF.

## Article 16. Accounting

- (1) The fiscal year of the HVDF for accounting purposes shall be from January 1 to December 31 unless otherwise determined by the Steering Committee.
- (2) The Secretary Office of the HVDF shall keep accurate, full and complete books and accounts showing income, operations, transactions and the financial conditions of the HVDF.
- (3) An Auditor of the HVDF shall have outside Auditor audit its financial statements and shall report its results to the Steering Committee.
- (4) Operation of the HVDF shall be financed by the annual membership fees of the Members. If any expense shall be necessary for a particular activity, additional fees shall be collected from the Members that agree to pay the extra fees for the activity.

### **Article 17. Compliance with Laws**

The HVDF will conduct all of its activities in strict compliance with all applicable laws, including all applicable antitrust laws.

### **Article 18. Amendments**

This Charter may be amended or repealed, or a new charter may be adopted, by the affirmative vote of at least two-thirds of all the members of the Steering Committee.

### **Article 19. Disclaimer of Liability**

This Charter is not intended, and shall not be construed, to create any legally recognized entity by or among the Members. No Member shall have any power to enter into any agreement or obligation on behalf of other Members or the HVDF without the express written authorization of such other Members or the HVDF, as the case may be. A Member shall have no liability, loss or damages whatsoever resulting from any unauthorized acts of another Member or the HVDF. Each Member agrees to indemnify the other Members and the HVDF from all liabilities, loss or damages resulting from the indemnifying Member's unauthorized acts.

### **Article 20. Language**

The official language of the HVDF shall be Japanese, provided, however that members may use English in activities conducted outside of Japan.