

High Altitude Platform Station Alliance Inc.

(“HAPS Alliance”)

Intellectual Property Rights Policy

(“IPR Policy”)

1) **Definitions.** If not otherwise defined in this IPR Policy or in the Bylaws of HAPS Alliance, capitalized terms used in this IPR Policy shall have the meanings ascribed to them as follows.

“Draft Specification” means all versions of a technical specification work item taken up by a Working Group.

“Essential Claim” means claims of all patents now or later issued, and patent applications now or later filed, under the laws of any country that are necessarily infringed by implementing any portion of a Final Specification. An Essential Claim is “necessarily infringed” only when there is no other technically reasonable non-infringing alternative for implementing a Final Specification.

“Final Specification” means a Draft Specification which has been advanced by the applicable Working Group to version 1.0 or later and has been approved by the Executive Board for publication by HAPS Alliance as a HAPS Alliance Specification.

“Potential Claim” means a claim in any patent issued or granted under the laws of any country, as well as a claim in, or supported by, any pending published patent application filed under the laws of any country, of which a Representative of a Member has actual knowledge and that, in the good faith belief of such Member’s Representative, may be an Essential Claim.

“Representative” means a person employed by a Member who is authorized by such Member to represent such Member in connection with the work of the HAPS Alliance, including in an applicable Working Group, as defined in the HAPS Alliance Bylaws.

2) **FRAND Commitment.** There is no objection in principle to issuing a Final Specification that includes the use of one or more Essential Claims, if it is determined that technical reasons justify such an approach. It shall be the policy of the HAPS Alliance that Essential Claims implicated in Final Specifications be available to Members and third parties on a fair, reasonable, and non-discriminatory (“**FRAND**”) basis. Therefore, all Members (including each Member’s Authorized Affiliates, and the obligations of a Member under this IPR Policy shall also apply to such Member’s Authorized Affiliates), including all Members joining HAPS Alliance after the issuance of a Final Specification), hereby commit that they will grant licenses to each such Member’s respective Essential Claim(s) (whether owned or licensable by such Member) under FRAND terms and conditions for the purpose of fully implementing and complying with all applicable provisions of a Final Specification (the “**FRAND Commitment**”), unless such Member has given notice in writing to HAPS Alliance pursuant to this IPR Policy of such Member’s intent to opt-out of the FRAND Commitment as to such Essential Claim(s) (the “**Opt-Out Notice**”) pursuant to this IPR Policy. Each Member’s FRAND Commitment may be suspended as to any other party which does not in turn grant to such Member a license to its own Essential Claims on FRAND terms and conditions. Each Member’s FRAND Commitment shall continue for the remaining life of such Member’s Essential Claims in any and all Final Specifications issued prior to expiration, termination, or other cessation of such Member’s status as a Member and to future versions of such Final Specification to the extent such future version continue to include the same material to which the Essential Claims relate included in the versions issued prior to such expiration, termination, or other cessation of Member’s status as a Member. This IPR Policy creates no obligations whatsoever on Members as to any patent claims other than Essential Claims.

3) **Disclosure of Patents.** Beginning the day a Draft Specification is published to the Members of HAPS Alliance by an applicable Working Group, each Member shall have an ongoing obligation to disclose in writing the existence of any Potential Claim owned or licensable by such Member of which any Representative of such Member has actual knowledge (each such disclosure a “**Patent Disclosure Statement**”) within forty five (45) days of becoming aware of such Potential Claim. No Member, however, shall be required to disclose the existence of a Potential Claim owned by another entity that is not an Authorized Affiliate of such Member if such a disclosure would cause that Member to breach a contractual obligation of confidentiality which existed prior to the creation of the Draft Specification to which such Potential Claim applies. A Member shall deliver a Patent Disclosure Statement (in the form provided in Exhibit A) to the President of HAPS Alliance, or such other agent, contractor, or representative as the President or the Executive Board may designate in accordance with Section 6-8 below. All submitted Patent Disclosure Statements shall be maintained in the files of HAPS Alliance as an official corporate record.

4) **Content of Patent Disclosures.** Patent Disclosure Statements shall include (a) the name of the Member making the Patent Disclosure Statement and the name of the Representative responsible for the Patent Disclosure Statement; (b) the name of the person or entity that holds the patent or patent application with the Potential Claim; (c) the patent number, published patent application number, or other applicable non-confidential identifying information, if available, in which the Potential Claim is contained; (d) the Draft Specification to which the Patent Disclosure Statement applies; and (e) an indication from the Member’s Representative that the Representative, in good faith, believes the Potential Claim may be an Essential Claim.

5) **Failure to Disclose Patents.** Any Member that (a) does not submit an Opt-Out Notice as to a particular Potential Claim by the end of the First or Second Review Period (as applicable), or (b) fails to submit a Patent Disclosure Statement concerning a Potential Claim in conformance with this IPR Policy, shall be deemed to commit to license any Essential Claims, which it owns or has the right to license, in accordance with the FRAND Commitment in Section 2. Any Member’s knowing failure to disclose a Potential Claim, with an intention to mislead or deceive the HAPS Alliance or its Members, shall be deemed incompatible with such Member’s obligations toward HAPS Alliance and HAPS Alliance may terminate any such Member’s ability to participate in HAPS Alliance processes, including through termination of such Member’s membership.

6) **Review Period.** Upon advancing a Draft Specification to version 0.5, the chair of the applicable Working Group (the “**Working Group Chair**”) shall notify the Executive Board (or such committee as the Executive Board may have designated for this purpose) that the Draft Specification is sufficiently advanced for Member review. The Executive Board (or applicable committee) may then trigger a Member review period (the “**First Review Period**”) with written notice to Members. The First Review Period shall be sixty (60) days. Each Member shall submit a Patent Disclosure Statement during the First Review Period for any and all Potential Claims owned or licensable by such Member of which any Representative of such Member has actual knowledge.

7) **Opting Out of the FRAND Commitment.** If a Member submits a Patent Disclosure Statement with an Opt-Out Notice prior to the end of the First Review Period, the Working Group considering the Draft Specification to which such Potential Claim pertains shall consider whether alternatives to including such Potential Claim are feasible. If there are no technically feasible alternatives, and the Working Group considers that a Final Specification incorporating such eventual Essential Claim is nonetheless in the interest of HAPS Alliance, the Working Group shall notify the Executive Board of its recommendation to continue to incorporate such Potential Claim in the Draft Specification. Such notification shall include all relevant information to support the Working Group’s recommendation. If the Executive Board approves, work on the Draft Specification with such Potential Claim may continue.

8) **Second Review Period.** Upon reaching version 0.9 of the Draft Specification, such Draft Specification shall be deemed a “**Candidate Specification**.” If any Opt-Out Notices were submitted in

response to the First Review Period, or if, in the reasonable discretion of the Working Group Chair, that the Candidate Specification has materially changed since the First Review Period (including, for example, that new features or elements have been added), the Working Group Chair shall initiate a second review period (the “**Second Review Period**”), which shall be conducted in the same manner as the First Review Period, except that the period for such Second Review Period shall be thirty (30) days. Members shall have a second opportunity to submit Opt-Out Notices, but only as to any new materials included in the Candidate Specification since the First Review Period.

9) **Final Specification.** Upon conclusion of the Second Review Period, if applicable, or upon being designated a Candidate Specification if such Second Review Period is not applicable, the Working Group shall complete any necessary final work on the Candidate Specification, and the Working Group Chair shall submit the Candidate Specification to the Executive Board with a recommendation to approve such Candidate Specification as a Final Specification.

10) **No Patent Search Required.** This IPR Policy does not require a Representative or Member to perform or conduct patent searches. Knowledge of Potential Claims of a Member shall not be automatically imputed to any Representative.

11) **No Responsibility for Identifying Patents.** The HAPS Alliance shall not be responsible for identifying Essential Claims or for conducting inquiries into the legal validity or scope of Potential Claims.

12) **Copyrights.** Each Member shall grant a worldwide, sublicensable, non-exclusive, perpetual, royalty-free license to the HAPS Alliance for any copyrights, including the right to create derivative works, in any jurisdiction such Member may have in a Candidate Specification or Final Specification as to any contribution by such Member submitted or otherwise incorporated in a Draft Specification prior to expiration, termination, or other cessation of such Member’s status as a Member and to future versions of such Final Specifications to the extent such future version continue to include such contribution. To the extent a Member contributes computer software to a Final Specification, such Member (i) further grants to HAPS Alliance the right to evaluate such software, and any derivative works created therefrom and to publish such software and any applicable derivative works in such Final Specification, and (ii) represents and warrants that it has all necessary copyright rights to provide the licenses granted pursuant to this Section 12. This IPR Policy creates no obligations whatsoever on Members as to any copyright rights other than related to Final Specifications.

13) **Transfer of Essential Claims.** Each Member’s FRAND Commitment shall be interpreted as encumbrances that bind all successors-in-interest to those Essential Claims which were originally identified as Potential Claims in one or more Patent Disclosure Statements, and for which such Member has not submitted an Opt-Out Notice, pursuant to this IPR Policy. Any Member which transfers ownership of such Essential Claims shall include appropriate provisions in the relevant transfer documents to ensure that the FRAND Commitment is binding on the transferee and that the transferee will similarly include appropriate provisions in the event of future transfers with the goal of binding all successors-in-interest. The FRAND Commitment shall be interpreted as binding on successors-in-interest regardless of whether such provisions are included in the relevant transfer documents.

14) **Confidentiality.** Draft Specifications and Candidate Specifications, and all activities and discussions within HAPS Alliance related thereto, shall be considered confidential as among the Corporation, the Members, and each Member’s respective Authorized Affiliates under the Bylaws and each Member’s Membership Agreement unless designated otherwise by the Executive Board. Final Specifications, once published by HAPS Alliance, shall be considered non-confidential.

15) **No waiver of rights.** Any breach by a Member of this IPR Policy shall not give rise to any rights to others independent of the Bylaws, the Membership Agreement, or this IPR Policy nor constitute any waiver, estoppel, or similar defenses (expressly or by implication) of any Member’s (or their Authorized Affiliates’) rights, in particular its patent rights.

EXHIBIT A
PATENT DISCLOSURE STATEMENT FORM

Capitalized terms not otherwise defined herein shall have the meaning provided in the HAPS Alliance Bylaws, Membership Agreement, or IPR Policy, as applicable.

DISCLOSING PARTY

Member Name: _____

Member's Authorized Affiliate (if applicable): _____

Member Representative: _____

Address: _____

Telephone: _____

Email: _____

APPLICABLE DRAFT OR CANDIDATE SPECIFICATION

Document Number/ID: _____

Document Title: _____

LICENSING DECLARATION

The “**Disclosing Party**” (*i.e.*, the Member or its applicable Authorized Affiliate named above) owns or otherwise has the right to license a Potential Claim relevant to the above applicable Draft or Candidate Specification, and hereby declares the following:

_____ the Disclosing Party **AGREES** that in accordance with Section 2 of the HAPS Alliance IPR Policy it will grant licenses to its applicable Essential Claim(s), as identified below, under fair, reasonable, and non-discriminatory terms and conditions for the purpose of fully implementing and complying with all applicable provisions of the applicable Final Specification based on the above noted Draft or Candidate Specification.

_____ (**Opt-Out Notice**) the Disclosing Party **DECLINES TO AGREE** that it will grant licenses to its applicable Essential Claim(s), as identified below, under fair, reasonable, and non-discriminatory terms and conditions for the purpose of fully implementing and complying with all applicable provisions of the applicable Final Specification based on the above noted Draft or Candidate Specification.

In accordance with Section 4 of the HAPS Alliance IPR Policy, please identify each patent or patent application forming the subject matter of any Potential Claim owned or licensable by such Member of which any Representative of the Disclosing Party has actual personal knowledge.

Please expand or attach additional sheets as needed.

Please provide the following information:

- This information is informal in nature and does not constitute a legal opinion and accordingly should not be relied upon for the purposes of assessing the scope of any patent rights. Information provided in this section does not represent formal notice that a particular implementation of any Final Specification would infringe any patent or patent application including an applicable Essential Claim.

Please expand or attach additional sheets as needed.

Name of Member/Authorized Affiliate: _____

Name of Representative:

Title of Representative:

Signature: _____

Place, Date: _____