- 1. I am a Software Engineer. I have personal knowledge of the facts stated herein. I am over the age of eighteen, and would and could testify truthfully to the facts and matters stated in this declaration if called as a witness in this matter.
- 2. RealDVD has been in development for approximately the last 12 months. I have been involved in the development process of RealDVD from the beginning.
- 3. RealDVD is software that can be purchased and downloaded from
 Real Home's website on the Internet. RealDVD has a variety of different functions,
 including the playback of DVDs placed into a computer's DVD drive, looking up
 information about the DVD from Internet databases, providing links to various
 information websites relevant to the chosen DVD, and storing an image of the
 copy-protected DVD to a computer hard drive for safekeeping and later playback
 purposes.

RealDVD is CSS Compliant

- 4. The sellers of DVDs utilize a technological access protection measure termed the Content Scramble System ("CSS") on their DVDs to prevent unauthorized access to the content of a DVD. CSS was developed by Matsushita Electric Industrial Co., Ltd. and Toshiba Corporation, and intellectual property associated with CSS has been licensed to the DVD Copy Control Association ("DVD CCA") to license to others to use in the manufacture and use of DVDs.
- 5. For DVDs to be useful, an end-user must be able to access the content of the DVD to, for example, play the DVD. For DVDs that use CSS protection such protection must be navigated by licensed and authorized playback mechanisms. Just like all other DVD players, RealDVD is a licensed and authorized DVD player that appropriately navigates the CSS protection on the DVD to permit access to the DVD contents on a computer or other similar device. There

- 6. RealDVD was designed to be compliant with the DVD CCA license agreement and designed to work with and not circumvent the CSS technology utilized on the DVDs. Specifically, after RealNetworks, Inc. obtained a license from the DVD CCA, engineers received the technical specifications for the Descrambler and the Authenticator Module for CSS Decryption Module. These specifications allowed us to design a DVD CCA-compliant system for accessing DVD content. In designing RealDVD, we reviewed the technical specifications provided with the DVD CCA license and followed those specifications precisely in order to make sure that we were compliant with the technical specifications of the license.
- 7. Because RealDVD allows the user to make a personal copy of the DVD on the user's own storage device, Real Home designed RealDVD so that it would preserve the CSS protection included on the original DVD on the back-up copy saved to the target storage medium. In other words, when RealDVD makes a copy of the content on a DVD, it copies the CSS-encrypted data in the same format onto the storage device without decrypting the CSS protection, so that the licensed CSS decryption scheme must still be used in order to play back the encrypted file from the storage device.
- 8. RealDVD does not circumvent or bypass the CSS authentication process for accessing DVD content, as provided by the DVD CCA license and technical specifications. Instead, RealDVD follows the outlined procedures for authentication of a DVD drive and, in the authentication process, receives from the DVD the keys necessary for decryption of DVD content. Then, when accessing DVD content (whether on a disc drive or on a hard drive) RealDVD uses the provided keys from the DVD to access the DVD contents consistent with the technical specifications of the DVD CCA license.

9. RealDVD does not circumvent or bypass CSS protections in copying DVD content to a backup copy on a hard drive. RealDVD performs the authentication required by the technical specifications to be allowed access to the contents of the DVD and, once access has been properly granted under the technical procedures outlined in the DVD CCA license, RealDVD provides an option to play the DVD content and/or make a backup copy of the content. CSS protection does not prevent or prohibit the ability to copy DVD content once RealDVD has performed the licensed CSS authentication procedures. Indeed, in performing a requested back-up copy function, RealDVD copies the DVD content with the CSS protections intact.

RealDVD Adds Additional Security To Complement CSS And Prevent Dissemination of Digital Copies of DVDs

- 10. RealDVD adds additional levels of security to the CSS protection to ensure not only that the back-up copy of a DVD cannot be accessed without CSS, but also that the copy cannot be played on a different RealDVD account than the account of the user and the copy cannot be used on any storage device other than the storage device onto which the encrypted DVD content was originally copied.
- 11. As part of the additional security measures, RealDVD encrypts the CSS encrypted content on the DVD and the keys to unlock the CSS encryption with its own proprietary encryption system. Real's encryption system utilizes the highest level of security permitted by the United States government for commercial entities.
- 12. RealDVD also "locks" the playback of the encrypted copies to a single RealDVD user account. This protection prevents the RealDVD copy from being played back from another user's computer with another user's RealDVD account.

- 13. For the convenience of authorized RealDVD users and for the safety of their purchased DVDs, RealDVD also allows a user to play the RealDVD copy from the hard drive on which it was saved on from one to five "authorized" computers. These computers could, for example, be in different rooms of the user's home, or could be the user's laptop computer (if the user originally saved the copy on his or her home computer). Thus the authorized user could avoid the potential for damage or loss of the original DVD when physically changing his or her location when playing back the RealDVD copy.
 - 14. However, the RealDVD user can only use the original hard drive on which a RealDVD copy was stored to playback the DVD content on a different, but "authorized" computer. The RealDVD system does not permit the creation of a copy of the DVD content that can be played from a different storage device or hard drive other than the one in which it was originally stored. Also, the DVD content cannot be played from the hard drive on which the back-up copy is stored over a network the back-up hard drive must be physically connected to the authorized computer through a USB cable or the like.
 - For example, the RealDVD play function for a DVD placed in a disk drive and accessed through RealDVD does not allow the DVD to be sent through a network to be viewed, but can only be viewed on the computer screen of the computer in which the DVD is physically attached. In addition, if a customer chooses to store a copy of their DVD to a computer hard drive, that copy is secure. It cannot be copied again from the original hard drive to another hard drive and then accessed and used. In addition, the stored copy cannot be uploaded to an internet site and used by any other person to view the DVD content.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on September 30, 2008 in Seattle, Washington.