

FREQUENTLY ASKED QUESTIONS

Q. What is a patent?

A. A patent is a legal right to exclude others from making, using offering for sale, or selling an invention for a limited period of time. Acacia's U.S. Patents expire in 2011. In the United States, patents are issued by the United States Patent and Trademark Office. For more information, go to www.uspto.gov.

Q. Where can I get more information about Acacia's DMT Technology and the patents?

A. To view engineering diagrams illustrating examples of how certain claims of Acacia's patents apply to your activities, please visit www.aciatechnologies.com, click on "Technology," and then select the category most relevant to your business. To see a list of the U.S. and foreign DMT patents owned by Acacia, or to view an actual copy of Acacia's U.S. DMT Patents covering the transmission and receipt of digital audio and/or video content, please visit www.aciatechnologies.com and click on "Technology."

Q. I buy my hardware and software for transmitting videos from legitimate third party companies like Microsoft, Real Networks and Apple; why do I need a license from Acacia?

A. Even though you may purchase hardware and software products from a third party, certain uses of such products may infringe rights, such as patent rights, belonging to others.

Q. Exactly what am I doing on my Website that infringes Acacia's Patents?

A. Acacia's patents cover the process of transmitting and receiving digital audio and/or video content via several means, including the Internet. Activities such as showing previews of videos on a website, and sending video content via the Internet to a customer, use Acacia's DMT Technology and are covered by Acacia's patents.

Q. I use a third part to host and transmit my digital content to my customers. Shouldn't Acacia be contacting them?

A. Under U.S. Patent Law, a party who encourages or contributes to the infringement by someone else may be held liable as an

infringer. The License Agreements cover you and activities provided by your third party host on your behalf.

Q. I own several websites that transmit audio and video content. Will the license with Acacia cover all of my sites?

A. All websites owned by you, (and, if applicable, your subsidiaries), will be covered by the license, as long as they are legally owned by you (or any such subsidiaries) and they are listed on the appropriate exhibit to the Agreement.

Q. What if I don't enter into a license with Acacia?

A. Our preference is to enter into a license agreement with you without the need for patent litigation, which is very expensive. In the event that you elect to not enter into a license agreement with Acacia, Acacia will have the right to seek royalties for past and future infringing activities at rates that are higher than the rates we are currently seeking.