

Nero AG, Im Stoeckmaedle 18, 76307 Karlsbad, Germany

VIA CERTIFIED MAIL & FACISMILE

November 18, 2005

Mr. John Lohmeyer
T10 Chair
LSI logic
4420 Arrows West Dr. Colorado Springs, CO
80907

Subject: Method for writing data blocks on a block addressable storage medium using defect management

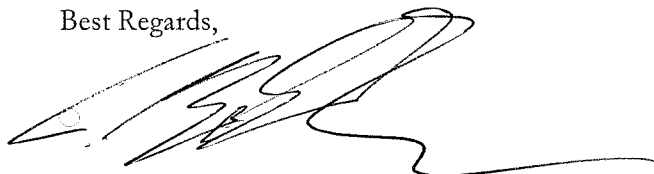
Dear Mr. Lohmeyer,

This statement is provided regarding the MMC 5 draft specification –more precisely Timely Safe Recording “TSR”- of T10 that are current as of the date of this letter.

Nero AG has patent applications regarding this method TSR.

In the event that a Recording Methodology proposal is adopted as a standard and cannot be practiced without one or more patents that issue from our patent application, Nero AG will make a license available to applicants who respect Nero’s intellectual property rights. Such license will be under reasonable terms and conditions and free of any unfair discrimination.

Best Regards,



Christian Melloh
Attorney-at-law

Nero AG