



Media Services

Overview

April 2008
Avail Media, Inc.



Table of Contents

1	Media Services Overview	3
2	Media Services Scope of Work	3
2.1	Channel Lineup Development	5
2.2	Technical Questionnaires	5
2.3	Coordination with Third Parties	6
2.4	Affiliate Marketing Support Portal	6
3	Media Services Fees	7



1 Media Services Overview

Avail Media is the leading authority on IP-based content delivery in the media and entertainment industry. Whether your aim is to acquire, manage, or deliver the best possible content lineup to your subscribers, or to find ways to take your products and services to market, Avail Media offers powerful, strategic solutions.

Our industry expertise and market knowledge is based on our in-depth understanding of the media and entertainment space and experience dealing with major TV broadcasters and Hollywood studios. We offer a range of services that can help you with all aspects of devising your content strategy through to implementation. Our services include strategic business, content, and related marketing advice to help you provide the optimal content services to your subscribers. Avail Media's long-term relationships with the leading programming networks enable you to develop valuable partnerships with major content providers, such as ABC-Disney, MTV Networks, NBC Universal, Turner Networks, and many more.

The Media Services group will assist you in developing a customized, tailor-made, and competitive channel lineup to appeal to your subscriber base and suit the demographics of your market. Once you decide which channels you want to include, you will need to obtain both transport license rights and affiliate license rights in order to legally distribute those channels to your subscribers. To this end, you can leverage Avail Media's transport rights, and we will navigate you through the process of obtaining the necessary transport consent authorizations from each of the programming networks. At the same time, Avail Media has partnered with a variety of Affiliate Rights aggregators, through which you have a number of options for obtaining the affiliate license rights you need to commercially launch your IPTV services.

Avail Media has a vested interest in our Affiliates' success, and for that reason, our services don't stop at the time of launch. If you don't grow your subscriber base, we don't grow our bottom line. It's that simple.

For this reason, Avail Media provides our Affiliates with individualized, tailor-made guidance and consultation throughout the entire deployment process, including pre-launch, testing, commercial launch, and ongoing operational support, from conception through to implementation, as well as marketing road maps that encompass both the lead-up to your commercial launch as well as a marketing calendar for years to follow.

2 Media Services Scope of Work

Media Services currently provides the following elements of a robust Affiliate support program.

Channel Lineup Development

- Consultation on Affiliate-specific competitive market issues
- Advice on niche programming, including demographic analysis, evaluation of equipment costs, and assessment of associated programming license fees
- Channel placement and packaging recommendations
- Coordination with Affiliate Rights aggregator(s) on package pricing development
- Final channel lineup submission to Avail Media's operations team (for Avail Access Affiliates only) for middleware server and electronic programming guide (EPG) set-up

Technical Questionnaires

- Act as point of contact for obtaining and completing necessary technical questionnaires from:
 - Turner Networks, ESPN, HBO, Showtime Networks, Fox Cable Networks, and others, as necessary
- Interface with Avail Media's operations team to complete any information specific to third party middleware and/or STB vendors



Media Services – Overview

- Submit technical questionnaires to programmers and/or Affiliate Rights aggregator(s) for approvals
- Maintain technical questionnaire approval database for each Affiliate
- Send programmer authorization forms (after technical questionnaire acceptance) to Avail Media's operations team for Feed Control Manager (FCM) configuration/channel inclusion
- Attend any programmer technical and operational calls, as necessary, to secure technical approvals
- Engage key programmer personnel as necessary to secure technical approvals

Coordination with Third Parties

- Act as point of contact for ensuring all necessary paperwork for each Affiliation Rights Agreement with respective programming networks is completed and channel lineup requirements are met, including the request of direct Affiliation Agreements as required by programmers
- Manage the status and tracking of license rights agreements related to third party Affiliate Rights aggregators and direct Affiliation Agreements with programming networks
- Maintain database of Affiliate's affiliate license rights acquisitions for all requested channels/programmers
- Act as point of contact for ensuring each Affiliate executes an agreement with Tribune Media for electronic programming guide (EPG) services, as applicable. Provide Tribune account information to Avail Media operations team to populate relevant metadata and set up automation process, as applicable.

Ongoing Support

- Coordinate and distribute marketing and technical notifications from programmers
- Coordinate necessary changes with middleware and EPG vendor as a result of notifications from programmers to implement changes on behalf of the systems (except in cases where direct Affiliate involvement is required)

Affiliate Marketing Support Portal

- Provide access to customized Launch Wizard, which a) allows for Affiliates to build custom channel lineup, b) automatically calculates capital costs and license rights fees associated with the customized channel lineup, and c) includes business modeling/ROI analysis
- Provide a list of all programming networks' marketing websites and support set up of associated accounts for Affiliates
- Provide a customized marketing road map for Affiliates based on market vertical (i.e., telco tier 3/4, telco tier 2, cable, FTTH, MDU, hospitality, etc.) to provide guidance on successful marketing strategies, tactics, and associated timelines
- Provide appropriate, customizable collateral materials for Affiliate to implement the tactics defined in the marketing road map
- Provide low-cost source for printing and mailing of marketing collateral, including online, real-time proofing and editing
- Provide comprehensive marketing calendar of programmer-supported and subsidized campaigns, as well as access to associated marketing collateral for these campaigns, including source for printing and mailing
- Provide access to technical and other white papers for use in training Affiliate staff on new products and services offerings, technical developments, etc.
- Provide FAQs on first standard deviation of questions typically asked related to an IPTV deployment
- Provide resource of approved training vendors for marketing, customer services (CSR selling tools), and technical/operational training
- Provide comprehensive archive of all programmer notifications for preceding six (6) months
- Provide weekly tracking reports on status of transport consent forms
- Provide forums for Affiliate to Affiliate and Affiliate to Vendor (i.e., middleware, encryption, etc.) communications regarding best practices and techniques for trouble shooting, etc.



2.1 Channel Lineup Development

All Avail Connect Affiliates will have access to the Media Services division at Avail Media for support in the evaluation and packaging of competitive channel packages that conform to the various programmer requirements. In coordination with Avail Media's sales group, we will also provide Affiliates with detailed cost implications related to inclusion of non-transported channels carried at the edge.

In order to finalize an Affiliate's channel lineup, Media Services will provide a recommended source list for acquiring the associated Affiliate License Rights required. This will include third party Affiliate License Rights from aggregators, direct agreements with individual programmers, as well as cooperatives in cases where an Affiliate is eligible (i.e., NCTC, NRTC, and NTTCC). Media Services will make the appropriate introductions and/or facilitate the exchange of information needed to secure an Affiliate's required Affiliate License Rights.

In cases where an Affiliate that is also the Avail Access solution (i.e., Avail Media's ecosystem solution containing the middleware, CAS, and STB integration), Media Services will be responsible for providing the final channel lineup information and Affiliate License Rights source for each programmer/channel to the sales/support organization responsible for the initial configuration and build of the channel lineup and package settings.

In cases where an Affiliate uses third party middleware, the channel lineup information will be submitted to the Affiliate for direct coordination with its vendor, if applicable.

2.2 Technical Questionnaires

Many of the largest national programmers require a thorough, written response to individual technical questionnaires provided by their engineering and/or affiliate sales groups. These technical questionnaires require detailed information on the Affiliate, including the Affiliate's physical network infrastructure and head-end facility, security measures implemented by the various network equipment vendors that reside in the Affiliate's network, and a litany of operational and procedural practices in the provisioning of secure IPTV services.

In cases where the Affiliate has secured all main components of the Avail Media solution (i.e., Avail Connect, Avail Edge, and Avail Access), Media Services can quickly facilitate the completion and submission of all common elements of our standardized offering. The required variable data is typically the access network topology and configuration. Once Media Services collects the information needed to complete the technical questionnaires, the group will complete and return them to the respective programmers.

In cases of a non-Avail Media, end-to-end solution, Media Services will support the Affiliate in obtaining this information from third parties for both the data fields for the Avail Connect gateway, as well as the information required from the Affiliate that has opted for third party middleware, CAS, and STB configurations. Media Services will coordinate with the appropriate Avail Media personnel and manage the various vendors to complete these technical questionnaires to the satisfaction of each of the programmers.

Media Services will also arrange and support with appropriate Avail Media personnel any third party review calls as required by the programmers to secure approval of technical questionnaires.

Upon acceptance of the technical questionnaire by the programmers, Media Services shall provide the completed Certificate of Eligibility (COE) forms to the Affiliate for signature before forwarding onto the programmer. Subsequently, Media Services will facilitate the channel lineup authorization in the Avail Feed Control Manager (FCM).



Media Services – Overview

Currently, the following programmers require their own, individual technical questionnaire to be completed, submitted, and approved prior to granting the Affiliate any COE and Affiliate License Rights:

- Turner Networks
- ESPN
- HBO
- Showtime Networks
- Fox Cable Networks

2.3 *Coordination with Third Parties*

Media Services will act as the primary interface between the Affiliate and all sources of Affiliate License Rights. These sources include aggregators, such as 4Com/Telechannel; cooperatives, such as NCTC, NRTC, and NTTC; metadata and electronic program guide (EPG) data sources; and any required direct agreements between the Affiliate and various programmers. Media Services will facilitate the introductions, and, in many cases, supply the initial standard contract to the Affiliate on behalf of such third party.

Media Services will track the completion and execution of each of the required aggregator, cooperative, direct, and relevant third party contracts' status through a comprehensive reporting system.

2.4 *Affiliate Marketing Support Portal*

Channel Lineup Builder

Media Services will assist you in developing a customized, tailor-made, and competitive channel lineup to appeal to your subscriber base and suit the demographics of your market. We'll help you evaluate incumbent competition, market demands, and consumer trends. Once you decide which channels you want to include, you will need to clear both transport and affiliate rights in order to distribute those channels to your subscribers. To this end, you can leverage Avail Media's transport rights, and we will navigate you through the process of obtaining the necessary transport consent authorizations from each of the programming networks. At the same time, Avail Media has partnered with a variety of Affiliate License Rights aggregators, through which you have a number of options for obtaining the affiliate license rights you need to commercially launch your IPTV services, and the business implications associated with the choices available to you. The business of content license rights is a cumbersome and confusing one, and the process can be intimidating even to the most seasoned media professionals.

Transport Rights/Affiliate Rights Paperwork

Rights clearance-related paperwork and instructions, including all required forms associated with authorizing a given Channel Lineup:

- Transport Authorization Forms
- Programmer Consent Forms
- Confirmation of Eligibility documents
- Technical Questionnaires
- IRD Authorization Forms
- Frequently-Asked Questions

Marketing Road Map

Avail Media will provide our Affiliates with a comprehensive marketing strategy and implementation guide that covers everything from pre-launch through the first 12-18 months after commercial launch. Elements covered include CSR selling tools, training manuals, specific marketing campaigns, and much more! Avail Media's marketing strategies and implementation guides are specifically designed to address an Affiliate's market



Media Services – Overview

vertical, therefore are applicable whether an Affiliate is a tier 3/4 Telco, tier 2 Telco, cable operator, fiber-to-the-home ("FTTH") provider, MDU, or in the hospitality sector.

Collateral Design, Production, and Management

Avail Media will provide our Affiliates with interactive tools and applications to streamline and coordinate their marketing initiatives and associated processes. The marketing portion of the Portal will include marketing programs, a creative library, project requests, and order bin. The Portal will allow Affiliates to order and/or download marketing materials, including but not limited to mailers, letters, printed materials, broadcast materials (television & radio campaigns), promotions, and premium items. Such marketing collateral shall be continually refreshed with new programming campaigns and promotions.

Affiliate User Groups & Forums

Avail Media will create experience-sharing forums, where our Affiliates can compare and share technical knowledge, deployment experiences, and much more! Knowledge is power. So, we at Avail Media believe that the more information we can equip you, our Affiliate, with, the better positioned you will be for success in market.

Business Modeling (ROI) Tool

Avail Media will provide our Affiliates with a business modeling tool to evaluate the total project costs associated with implementing an IPTV roll-out or various scenarios of the same, including key business metrics, such as Return on Investment (ROI).

3 Media Services Fees

One-time, flat fee of US\$15,000 plus 10% annual maintenance charges to cover an Affiliate's license rights renewals, channel changes to EPGs, additional channel launches, ongoing coordination and distribution of marketing and technical notifications from programmers, and ongoing maintenance and enhancement of Affiliate Marketing Support Portal, including development of additional functionality, maintenance of comprehensive marketing calendar of programmer-supported and subsidized campaigns, development and/or coordination of associated marketing collateral.