

PROTECTIVE ORDER MATERIAL

To: Milton Diaz[mdiaz@bbitv.com]
From: Nicole Nestel[nicole@nicolenestel.com]
Sent: Thur 4/29/2004 6:56:54 PM (UTC-07:00)
Subject: RE: BBitV community classified - questions

Okay, I made almost all of the changes but was a little unsure what to do about the n2bb area. I think that they use the term, N2 Network? , to cover the whole range of their application set. I wasn't certain as to exactly what products of it we will be using, but from your description it sounds like we will not use the whole of the N2 Network suite, but a specific subset, perhaps just the Xport Producer product?

N2Broadband - N2 Broadband will provide the backend systems and applications dedicated to encoding, packaging and managing on-demand. (Nicole – this section needs to be rewritten. We are not actually using the N2 Network (as far as I know...) We are using their technology to prepare materials for delivery to InDemand, who will then provide the transport and delivery service to the actual VOD servers at the cable headends. The N2 Network connects video content with cable head-ends, ensuring secure delivery and management of content for video-on-demand and other services. BBitV's internal video production and encoding systems are mapped to evolve to using the N2 Network to handle content distribution to the video servers (InDemand) and then track distribution and traffic management through their business management software. These applications will be managed from the BBitV's offices and will distribute video content through to all cable operators.

-----Original Message-----

From: Milton Diaz [mailto:mdiaz@bbitv.com]
Sent: Thursday, April 29, 2004 11:50 AM
To: 'Nicole Nestel'
Subject: RE: BBitV community classified - questions

Nicole –

Some quick comments. Use your judgment – ones where I inserted a question mark means “what do you think?”

thanks,

mdp

-----Original Message-----

From: Nicole Nestel [mailto:nicole@nicolenestel.com]
Sent: Monday, April 26, 2004 9:44 PM
To: Milton Diaz
Cc: Kimberly Wall
Subject: RE: BBitV community classified - questions

BBitV EX2130
DISH v. BBitV

PROTECTIVE ORDER MATERIAL

Hi Milton,

I checked with Glenn, and he agreed on both counts. I'm not familiar with who the current counsel is and whether they are accustomed to looking at these kinds of documents, but a review is definitely called for..I can write up documents for this and for some other issues, like guidelines for appropriate ads and a privacy policy. I agree with your last thought, agreement to terms of service should be checked off with each purchase, as you are essentially entering into a new contract each time you purchase a classified.

I am in the process of writing some functionality requirements, and there are still quite a few loose ends. But, I thought I would forward the document-in-progress to both of you so that I could share some of the specifications that have been identified from our product meeting, various phone conversations and of course Kim's amazing demo!

Best,

Nicole

-----Original Message-----

From: Milton Diaz [mailto:mdiaz@bbitv.com]

Sent: Monday, April 26, 2004 4:53 PM

To: 'Nicole Nestel'

Cc: Kimberly Wall

Subject: RE: BBitV community classified - questions

Nicole –

These are both interesting issues. My comments below:

-----Original Message-----

From: Nicole Nestel [mailto:nicole@nicolenestel.com]

Sent: Monday, April 26, 2004 6:37 PM

To: Milton Diaz

Subject: BBitV community classified - questions

Hi Milton,

I am writing the functionality requirements and had a couple of questions come up as to business rules.

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1. Do we want revenues to flow into a BBiTV merchant account (perhaps with divisions for each MSO?) I got a little more detail from Adstar and their current method is that they book revenue into their own merchant account and then do a funds dispersion each month. I think that this is not optimal for BBiTV's business model though, I think that BBiTV may want to book as much revenue as possible and be able to forecast earnings for that merchant account...I would recommend division numbers because it is cumbersome to have multiple merchant accounts, but each MSO will probably want some kind of income reporting if there is a rev-share. (MDP) Currently, the business model calls for us to collect all revenue and perform a rev-share with each operator. I agree that we should have a single merchant account and set up division numbers to support income reporting for each traffic attributable to each market. Please confirm with Glenn, but this makes sense to me.

2. How to cast the product (I have also mentioned this issue to Glen, asking about his opinion) When you have a product which includes an editorial review, this affects whether you can include the revenue in a forecast because there is the chance that it will have to be refunded. I looked back over the LookSmart Terms of Service agreement because I remember there being a similar issue with that and basically we created a TOS that specified that what you were buying was the opportunity to be reviewed and if approved you would be listed, with no obligation to definitely be put up. This basically ensured that the only time they ever had to refund anyone was for an accidental double purchase (someone hammering on the accept payment key and getting a duplicate purchase)/. - Also put a hammerlock on the payment button with a 30 second hold to cut down on those impatient people! (MDP) What was Glenn's opinion? I think that the TOS concepts you propose are appropriate – although we will need to generate a new TOS specific to our service and have a current legal review performed. I wonder if any of our counsels are up to speed on these issues. We will need to discuss this with Glenn. Did Adstar have a TOS worth looking at? In any case, I think we are on the right track. Note that we need to add a TOS presentation and confirmation to Kim's prototype – I am copying Kim for this reason (I assume this should happen when you create your account or access your account for the first time? Would presenting this every time you place an ad be overkill?) And I agree with the hammerlock, that should be in the spec.....

Does this sound like the right model?

Best,

Nicole

example -

Nothing in this TOS Agreement or the Service obligates LookSmart to list, link or otherwise accept your site for distribution via the LookSmart Network, to continue listing your web site in the LookSmart Network, or to provide priority placement for your listing in search results. If your site is accepted, LookSmart reserves the right at any time, in its sole discretion, to determine your site listing's title, URL, and site description; to change the content, wording, display and any other characteristic of your listing; to remove your listing from the LookSmart Network; to move your listing to a different category or subcategory; and to add, change or remove any keywords, comments or annotations.

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