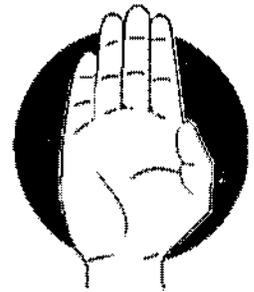


PLEDGE TO PARENTS



The Video Software Dealers Association's Recommended Pledge Regarding the Rental or Sale of Videotapes to Persons Under Seventeen Years of Age

Laws aimed at protecting minors from the influence of "harmful" or "violent" videotapes have been introduced in a number of state legislatures. Many of these laws were introduced as a result of the widespread perception that children can enter a video store and rent whatever they desire.

The Video Software Dealers Association is aware that this is an inaccurate perception. Therefore, in order to educate the public about the prevailing practice in the industry, and to promote parental confidence in that practice, VSDA is issuing a PLEDGE TO PARENTS that may be adopted by video retailers in their own businesses.

A copy of the PLEDGE TO PARENTS statement is contained on the certificate included in this insert.

VSDA members can choose to subscribe to this PLEDGE and make it publicly available to their customers in order to underscore the proposition that industry self-regulation is preferable to any legislative solution.

While a retailer's adoption of the PLEDGE TO PARENTS is a voluntary decision, VSDA encourages all video retailers, regardless of whether they are members of VSDA, to adhere to the PLEDGE.

The manner in which parental consent may be given under point (1) will vary according to the method that works best for each store. Some video stores allow parents to designate restrictions in their computer membership files. Others provide that entrusting the membership card to the child constitutes parental permission. However, VSDA recommends that, in order to avoid ambiguities, a parental consent section (such as the one on the following page) should be included in the printed customer membership agreement for each store that adopts the PLEDGE TO PARENTS.

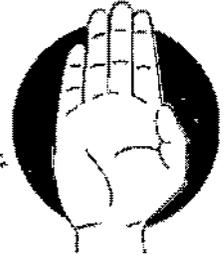
In addition to restricting minors' access to videotapes rated "R" or "NC-17" by the MPAA, the PLEDGE TO PARENTS provides video dealers with an option to make the determination that other tapes — including those not rated by the MPAA — should not be rented or sold without parental consent to persons under 17. To make such a determination, video dealers will be required to evaluate the content of particular videotapes, with their evaluation based on a screening of the tape, box art, published reviews, or similar information.

Of course, each store is free to make its own determination with respect to the sale or rental to minors of tapes that are not rated "R" or "NC-17." VSDA assumes that dealers will be guided in these matters by their own discretion and an assessment of the standards of the community in which they operate.

Each video store which adopts the PLEDGE TO PARENTS will be provided, upon request, with a PLEDGE TO PARENTS poster. Details regarding distribution of the poster will be made available shortly. In the meantime, please feel free to make use of the PLEDGE TO PARENTS certificate as you see fit.

You should be aware that adoption of the PLEDGE TO PARENTS and restriction of rental and sale to minors does not necessarily protect a dealer from legal liability. For example, films rated "NC-17" may well include "adult" films which, depending upon the particular community, might be deemed obscene and, therefore, illegal. Hence, each dealer will need to consider whether the rental or sale of a particular video, either to a child or to an adult, might be in violation of local community standards regardless of how it is rated or whether parental consent has been given.

PARENTAL CONSENT FORM: CUSTOMER MEMBERSHIP AGREEMENT



PLEASE PRINT CLEARLY

NAME _____

ADDRESS _____

CITY/STATE/ZIP _____

HOME TEL. # _____ WORK TEL. # _____

DRIVER'S LICENSE NO. _____

CREDIT CARD NO. _____

TYPE

EXP. DATE

CREDIT CARD NO. _____

TYPE

EXP. DATE

THE FOLLOWING FAMILY MEMBERS ARE AUTHORIZED TO RENT OR PURCHASE VIDEOS:

NAME	DATE OF BIRTH	ALLOWED TO OBTAIN RESTRICTED VIDEOS* YES/NO
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

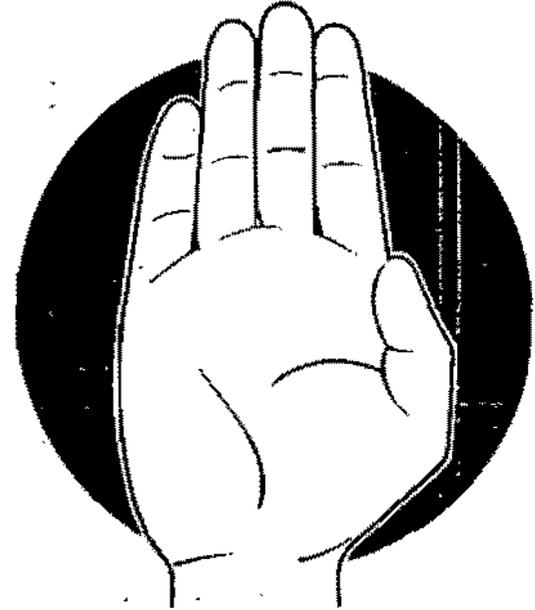
CUSTOMER SIGNATURE _____

DATE _____

* It is the policy of this store not to rent or sell videotapes designated as restricted to persons under the age of 17 without parental consent. Such designation includes (a) all tapes rated "R" by the Motion Picture Association of America and (b) any other tapes determined by our store to be of such a nature as to require parental consent for persons under the age of 17.

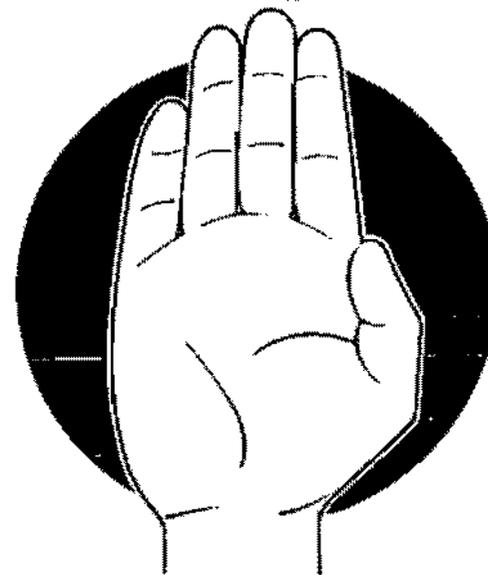
It is the policy of this store not to rent or sell videotapes rated "NC-17" by the Motion Picture Association of America to persons under the age of 17, or to rent or sell to such persons any other tape determined by our store to be unsuitable for them.

OUR PLEDGE TO PARENTS



1. It is the policy of this store not to rent or sell videotapes or video games designated as "restricted" to persons under the age of 17 without parental consent, including all movies rated "R" by the Motion Picture Association of America (MPAA) and all video games rated "M" by the Entertainment Software Ratings Board (ESRB).
2. It is the policy of this store not to rent or sell videotapes rated "NC-17" by the MPAA or video games rated "Adults Only" by the ESRB to persons age 17 or under.

OUR PLEDGE TO PARENTS



- 1. It is the policy of this store not to rent or sell videotapes designated as restricted to persons under the age of 17 without parental consent. Such designation includes (a) all tapes rated "R" by the Motion Picture Association of America and (b) any other tapes determined by our store to be of such a nature as to require parental consent for persons under the age of 17.**
- 2. It is the policy of this store not to rent or sell videotapes rated "NC-17" by the Motion Picture Association of America to persons under the age of 17, or to rent or sell to such persons any other tape determined by our store to be unsuitable for them.**



Video Software Dealers Association

June 15, 1999

The Honorable William J. Clinton
President of the United States
Executive Office of The President
1600 Pennsylvania Avenue, N.W.
Washington, D.C. 20500

Dear Mr. President:

The Video Software Dealers Association ("VSDA") is the trade association for the home video industry, representing more than 3,400 retailers and distributors of home video entertainment products throughout the United States including the largest video rental chains and thousands of independently owned stores. On behalf of the industry, we are proud to share with you our accomplishments and plans with regard to helping parents guide and direct the home video viewing choices of their children.

When prerecorded movies first hit the retail market in the early 1980's, busy families found in home video affordable entertainment which they could directly control. VSDA's early theme, "watch what you want when you want," stressed two key advantages of home video. Unlike broadcast and cable television, consumers have complete control over what movies will be brought into their homes and when they will be watched. There is no danger that channel-surfing will expose younger children to inappropriate programming, yet parents are free to enjoy programming intended for more mature audiences at an appropriate time. In home video, this "prime time" becomes any time that makes sense for a particular family.

With the rise in popularity of home video, and the desire of some busy parents to give their children greater access to the video store and the family VCR, VSDA recommended to its members the adoption of a program it called "Pledge to Parents". Designed to give parents control over how the family video store membership card is used, adoption of the VSDA Pledge to Parents means that the video store will never rent the most restricted movies to minors (such as movies with MPAA's NC-17 rating), and will rent R-rated movies to children only when the rentals have been specifically authorized by their parents. That is, the child's parents (not the government, the video store owner, or any third party) decide what restrictions should be placed upon that child's use of the family's membership card.

The Honorable William J. Clinton
June 15, 1999
Page 2

This popular and successful program was established in 1992, and has been modified by some VSDA members to provide even greater flexibility to parents, such as by restricting movies based upon other ratings. As a result, it is now exceedingly rare for a parent to complain to a video store that their child has rented a movie that was rated as restricted or as inappropriate for their age.

Despite the success of its Pledge to Parents program, VSDA's members maintain an intimate relationship with their customers and at the same time operate in a highly competitive industry. As a result, they are constantly seeking new ways of increasing value and customer satisfaction. The Littleton tragedy, which brought a renewed national concern for greater supervision of and guidance to our children, has prompted VSDA and its members to seek new ways of meeting those renewed concerns of America's families, which form the core of our customer base. We are proud to share with you the following steps VSDA is now taking, with the overwhelming support of its members:

1. The Pledge to Parents is being modernized and reemphasized, to remind parents of this important tool available to them to exercise greater control over the media to which their children have access. Our members are being encouraged to give the program greater visibility and are being given the tools to accomplish that.
2. The Pledge to Parents is being improved. Thanks to technological advances, more and more of our members are acquiring the capability of giving customers even greater control to customize the authorization restrictions applicable to each family. For example, we are finding ways to allow parents to control access based upon all MPAA rating levels, including G, PG, and PG-13, and, for our stores that rent video games, to also allow the same parental control based upon the new IDSA rating system for that medium.
3. Thanks to the suggestion of your office, through Bruce Reed, reminding us that long-standing members may have forgotten the options they had when they first became members of a particular store, or that they could change their original choices as their children mature, VSDA has initiated a plan to encourage video retailers to remind their customers that they can review and update the data concerning the Pledge to Parents program or other age-monitoring system.
4. VSDA staff is examining the possibilities that may be offered by the next generation of two-dimensional bar coding to further enhance the control and options available to parents. For example, we expect the new bar coding on products to allow for the quick scanning of movie ratings information and the potential of a "stop" at the cash register to check IDs and greater customization of information concerning access restrictions on the membership card itself.

The Honorable William J. Clinton

June 15, 1999

Page 3

Mr. President, with these improvements in an already successful program, and the continual openness to other improvements with the advancements in technology, VSDA believes that this trade association can continue to lead the entertainment industry in providing near total parental control over the content of rental media entering the home. We thank you for your vision and leadership in this critically important area, and call on educators, government officials and community leaders to step up their own efforts to help instill in young parents appropriate values and a deeper understanding of child development, so that they can effectively utilize these tools of parental judgment and control in the best manner possible for their children.

Yours truly,



Crossan R. Andersen
President



Mark Vrieling
Chairman



Video Software Dealers Association

June 15, 1999

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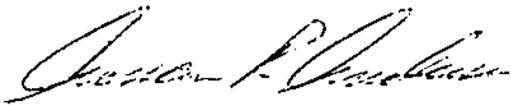
The Honorable William J. Clinton

June 15, 1999

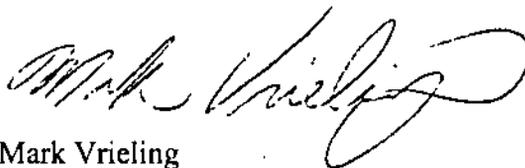
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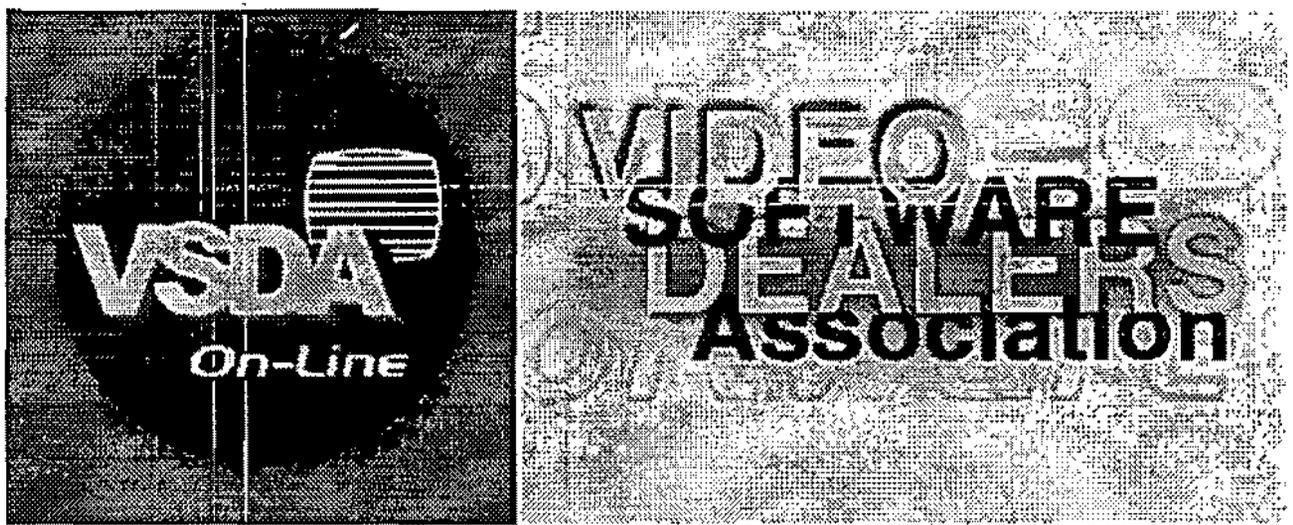
Yours truly,



Crossan R. Andersen
President



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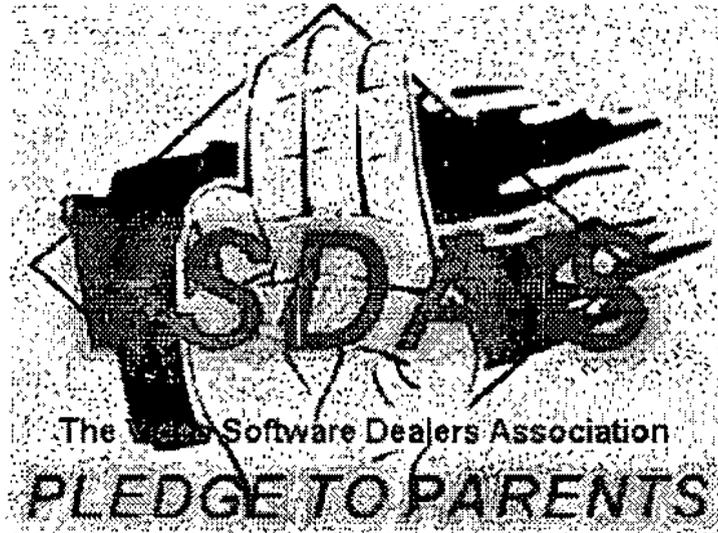


VSDA PRESENTS Pledge To Parents CLICK HERE!

- members**
- non-members**
- news and info**
- events**
- consumer corner**
- discussion board**
- marketing resources**

Site hosted and maintained by:





OUR PLEDGE TO PARENTS

1. It is the policy of VSDA-member video stores participating in the **PLEDGE TO PARENTS** program not to rent or sell videotapes or video games designated as "restricted" to persons aged 17 and under, without parental consent, including all movies rated "R" by the Motion Picture Association of America, and all video games rated "M" by the Entertainment Software Rating Board.
2. It is the policy of these VSDA-member video stores not to rent or sell videotapes rated "NC-17" by the Motion Picture Association of America or video games rated "Adults only" by the Entertainment Software Rating Board to persons aged 17 or under.

BACKGROUND ON THE "PLEDGE TO PARENTS" PROGRAM

Laws aimed at protecting minors from the influence of "harmful" or "violent" entertainment software (videotapes and video games) have been introduced in the U.S. Senate and in a number of state legislatures.

Many of these laws were introduced as a result of the widespread perception that children can enter a video store and buy or rent whatever they desire.

The Video Software Dealers Association (VSDA) is aware that this is an inaccurate perception. Therefore, in order to educate the public about the

prevailing practice in the industry, and to promote parental confidence in that practice, VSDA is re-affirming our commitment to the **PLEDGE TO PARENTS** program and encouraging all video retailers to promote its use in their own businesses.

The VSDA is openly encouraging all of our video retail members to:

- Actively check I.D.'s in support of applying age restrictions in renting rated videos and video games, and...
- Help re-acquaint parents with their store's ratings enforcement policies.

VSDA will soon provide all members with information kits and in-store posters describing the motion picture and video game ratings systems. We feel it is important to respond proactively to the heightened concerns over this issue that have developed in recent weeks.

We are committed to a course of action that will help alleviate parental and community concerns by strongly enforcing movie and video game ratings, and by providing parents with the information they need to make wise, informed entertainment decisions.

VSDA is in the process of reinvigorating, expanding and re-issuing the **Pledge To Parents** program materials that will be disseminated to our full retail membership. Details will be announced shortly.

VSDA members are strongly encouraged to subscribe to this **PLEDGE** and make it publicly available to their customers, to underscore the proposition that industry self-regulation is preferable to any legislative solution.

The PTP program also addresses the issues of parental consent for minors to rent restricted material. The manner in which parental consent may be given will vary according to the method that works best for each store. Some video retailers allow parents to designate restrictions in their computer-based membership files. Others provide that entrusting a membership card to the child constitutes parental permission.

However, VSDA recommends that, in order to avoid ambiguities, a parental consent section be included in the printed customer membership agreement for each store that accepts and participates in the **PLEDGE TO PARENTS** program.

In addition to restricting minors' access to videotapes rated "R" or "NC-17" by the Motion Picture Association of America, or video games rated "Mature" or "Adults only" by the Entertainment Software Ratings board, video dealers may make a determination that other videotapes or games -- including those not rated by the MPAA or ESRB -- should not be rented or sold to persons 17 years of age or less without parental consent.

In making such a determination, VSDA assumes that video dealers will be guided by their own discretion, product knowledge, and an assessment of the standards

of the community in which they operate.

You should be aware that adoption of the **PLEDGE TO PARENTS** and restriction of rental and sale to minors does not necessarily protect the dealer from legal liability. For example, software rated "R" or "Mature" may include "adult" software which, depending upon the particular community, might be deemed "obscene" and, therefore, illegal.

Hence, each dealer will need to consider whether the rental or sale of particular software, either to a child or to an adult, might be in violation of local community standards, regardless of how the product is rated or whether parental consent has been given.

NOTE: A Copy of the PLEDGE TO PARENTS "Parental Consent Form" – for use by VSDA-member stores – appears below. All VSDA members are encouraged to reproduce and use this form at will.

Due to the many incompatibilities between browsers, printers, and supporting software, printing this form directly from the Internet may yield imperfect results. VSDA hereby grants permission to its members to copy and reformat this material.

<p>PARENTAL CONSENT FORM: CUSTOMER MEMBERSHIP AGREEMENT</p>	 <p>PLEDGE TO PARENTS</p>
<p>PLEASE PRINT CLEARLY</p> <p>NAME: _____</p> <p>ADDRESS: _____</p> <p>CITY/STATE/ZIP: _____</p> <p>HOME TEL#: _____ WORK #: _____</p>	

DRIVER'S LICENSE #:

CREDIT CARD:

ACCOUNT NUMBER	TYPE	EXP. DATE
----------------	------	-----------

CREDIT CARD:

ACCOUNT NUMBER	TYPE	EXP. DATE
----------------	------	-----------

The following family members are authorized to rent or purchase videotapes and video games:

Name	Date of Birth	Allowed to obtain restricted videotapes and video games? YES / NO
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

CUSTOMER SIGNATURE

DATE

* It is the policy of this store not to rent or sell videotapes or video games designated as restricted to persons under the age of 17 without parental consent. Such designation includes all movies rated "R" by the Motion Picture Association of America and all video games rated "M" by the Entertainment Software Rating Board.

It is also the policy of this store not to rent or sell videotapes rated "NC-17" by the Motion Picture Association of America or video games rated "Adults Only" by the Entertainment Software Rating Board to person under the age of 18.