


 PLAINTIFF'S
EXHIBIT

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Comes v. Microsoft

**OEM Price List for
Consumer Application Products
January 6, 1994**

Consumer Applications, OEM Licensing

- **Application products and Systems products can only be licensed on separate agreements.**
Applications are to be licensed on an Applications License Agreement separate from the OEM's license agreement for Systems products.
- **Application products licensed to an OEM that will distribute outside of their region requires the approval of each regional Director.** (i.e. The OEM is US based and will be shipping systems with our applications to Europe)
- **Application products are licensed on a product by product basis.**
Application products and systems products *cannot* be "linked" to one another in any way (e.g., requiring an OEM to license one type of product in order to get a different product; offering discounts on one type of product if a customer licenses another type of product).
- **Applications distributed by OEM customers are required to be pre-installed on the "customer system" hard drive.** The OEM is required to ship the media for the application(s) only inside the same box as the end user PC system.
- **Pricing is "per-system" only.**
Prices herein are for Microsoft application products shipped in combination with an OEM's defined PC systems on a per-system basis under a royalty license. Per-system means "all units of a particular model" that the customer ships (e.g. all units of Compaq's Deskpro) or a particular subset(s) of a given processor type (e.g. 486DX, 33MHz). If your OEM would like to license MS applications on a per-copy basis, then the price, terms and conditions are the same as those offered to software distributors. In general, the OEM/distributor price will be at a 46% discount from the MS suggested retail price.
NOTE: Referring ONLY to OEM replication products; the disk labels and OEM's application box should have the printed statement: "For distribution only with [OEM's name] microcomputer system's". OEM replication products application licenses require the OEM to include a Microsoft product update registration card in the box the application ships in. The Applications Exhibit C denotes which products are OEM replication products.
- **Pricing and volume are based on a 6 month agreement.**
Standard license terms are for a period of six (6) months. Longer licenses are possible but you should provide the OEM with a cancellation option at the end of each successive six (6) month interval of the license. Consult your OEM Area Director for renewals or licenses greater than 6-months.
- **The OEM provides product support.**
The OEM will provide end-user support for licensed applications in every market it sells the product.
- **Consumer Applications not listed on this price list are not currently available for licensing through the OEM channel.**

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Consumer Applications, OEM Price List

US English

6-Month License Unit Commitment

B1	Per-System Royalties	2,500+	12,500 +	25,000 +
	MS-DOS Works	\$15	\$10	\$7
Note1	ROM Works (1MB or 2MB)	N/A	N/A	\$6
Note2	Works v 3.0 for Windows	\$28	\$25	\$16
	Works v 3.0 for Windows Multimedia Edition	\$28	\$25	\$16
Note2	MS Money	\$5	\$4	\$3
Note2	MS Publisher	\$28	\$26	\$24
	MS CD Publisher	\$30	\$28	\$26
	Design Pack for MS Publisher	\$4	\$3	\$2
	MS Profit	\$28	\$26	\$24
	Windows Entertainment Pack I	\$4	\$3.50	\$3
	Windows Entertainment Pack II	\$4	\$3.50	\$3
	Windows Entertainment Pack III	\$4	\$3.50	\$3
	Windows Entertainment Pack IV	\$4	\$3.50	\$3
	Windows Productivity Pack	\$2	\$1.50	\$1
	MS Golf	\$7	\$6	\$5
	MS Multimedia Golf	\$7	\$6	\$5
	Arcade	\$7	\$6	\$5
	Beethoven: The 9th Symphony	\$15	\$12	\$10
	Mozart	\$15	\$12	\$10
	Stravinsky	\$15	\$12	\$10
	Schubert: The "Trout" Quintet	\$15	\$12	\$10
	Encarta 1994	\$35	\$30	\$25
	Musical Instruments	\$10	\$8	\$6
	Cinemanía 1994	\$15	\$12	\$10
Note3	MS Soundbits: Featuring Musical Sounds from around the world	\$5	\$3	\$2
	MS Soundbits: Featuring Classic Hollywood Movies	\$7	\$4	\$3
	MS Soundbits: Featuring Classic Cartoons from Hanna Barbera	\$7	\$4	\$3
Note4	Bookshelf for Windows (Note the license restriction in footnote 4)	\$22	\$19	\$15
	Dinosaurs	\$15	\$12	\$10
	National Gallery of Art	\$15	\$12	\$10

Foreign Language Versions ^{Notes}

6-Month License Unit Commitment

B2	Per-System Royalties	2,500 +	12,500 +	25,000 +
	MS-DOS Works	\$15	\$12	\$10
Note1	ROM Works (1MB or 2MB)	N/A	N/A	\$6
Note2	Works v 3.0 for Windows	\$28	\$25	\$20
	Works v 3.0 for Windows Multimedia Edition	\$28	\$25	\$20
Note2	Microsoft Money	\$15	\$13	\$10
Note2	MS Publisher	\$30	\$26	\$24
	Windows Entertainment Pack I	\$4	\$3.50	\$3
	Windows Entertainment Pack II	\$4	\$3.50	\$3
	Windows Entertainment Pack III	\$4	\$3.50	\$3
	Windows Entertainment Pack IV	\$4	\$3.50	\$3
	Windows Productivity Pack	\$3	\$2	\$1
Note4	Bookshelf for Windows (Note the license restriction in footnote 4)	\$22	\$19	\$15
	Beethoven: The 9th Symphony	\$15	\$12	\$10
	MS Golf	\$14	\$12	\$10

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NOTES FOR CONSUMER APPLICATIONS**Per-Copy Finished Goods Without Hardware Restriction - US Only**

We no longer offer Finished Goods to OEMs directly. They must go through distribution for all US versions of Microsoft packaged product applications.

Per-Copy Finished Goods for Non-US Distribution

Finished Goods licenses for all non-US versions of consumer applications are offered at a 46% discount from the SRP of the applicable foreign country. Products are offered under master license; fulfillment and billing is through the local subsidiary.

VP OEM and VP Applications approval is required before quoting prices below this price list or on unit commitments over 50,000. Please contact your OEM Area Director.

Foot Notes:

- Note 1 ROM Works carries a minimum semi-annual commitment of 12,500 units due to the testing and development that Microsoft is required to conduct. Please contact Kellee McCusker (kelleem) to set up delivery & testing schedules. The applicable OEM system must have no standard floppy drives (IC cards are permitted).
- Note 2 Full-function/limited capacity English language versions of Windows applications Working Models is now royalty free. Working Models presently are offered on Works, Money and Publisher. An OEM is required to pre-install Working Models on a hard disk drive with Windows. This will be made available as an ODK ordered from Y-OEMREQ. If you need a working model prior to the ODK's being made available, contact Victor Cho (vcho).
- Note 3 MS-Soundbits: Featuring Musical Sounds from around the world can be quoted in quantities of over 50,000 units. Contact Kellee McCusker (kelleem) directly for pricing.
- Note 4 Any Microsoft Bookshelf Agreement or Amendment executed AFTER January 19, 1994 can only license Bookshelf 1994. Refer to the special provisions for Bookshelf in the Exhibit C for Multimedia Consumer Applications. The estimated RTM for Bookshelf 1994 is March 1994, estimated product delivery is April 1994. The restriction for distribution of this product in the U.K. has been lifted.. Bookshelf can now be licensed to OEMs in the U.K.
- Note 5 Contact Victor Cho (vcho) for a list of available languages.

HIGH END WINDOWS APPLICATIONS

High End Windows Applications pricing has been removed from this price list. Your Sales Manager and Area Director must consider each license on a case by case basis. Each license requires your Sales Directors approval prior quoting pricing to the customer. Your Sales Director will provide pricing upon approval.

European Subs have a separate Application Licensing Program including High End Applications. Contact you regional OEM Sales manager or Director for pricing and policies, or contact Bill Henningsgaard (billhe).

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