

Donna Poreda

From: Moshe Lichtman
To: bradsi
Subject: FW: SysSoft LOI
Date: Tuesday, June 29, 1993 9:32AM

FYI,
LOI we'll use as basis for discussion w syssoft mng't today.

From: Moshe Lichtman
To: Brad Chase; Byron Bishop; Carl Stork; Cindy Haerle; Tony Audino
Cc: Moshe Lichtman
Subject: SysSoft LOI
Date: Tuesday, June 29, 1993 12:28AM

Please send me comments by noon tomorrow. If you'd like to add or change stuff pls offer some verbage, I won't have much time to integrate.
thx

July 29, 1993

Jonathan Joseph
Senior Vice President, SystemSoft

Dear Jonathan,

As you know, Microsoft is planning to include PCMCIA support in Chicago and in WinPad. In addition Microsoft would like to offer PCMCIA support as an option to MS-DOS 6 customers.

Microsoft would like to work together with SystemSoft to develop the Chicago and WinPad PCMCIA support based on SystemSoft's "CardSoft" PCMCIA Software Suite. Microsoft would also like to offer CardSoft as an option for PCMCIA support in MS-DOS 6.

We understand that SystemSoft would like to offer support for PCMCIA memory cards as an option to CardSoft customers. SystemSoft would like to base this support on Microsoft's Flash File System.

This letter describes how SystemSoft and Microsoft can cooperatively develop the PCMCIA support for Chicago and WinPad. It also offers a framework for the related work on Flash File System. This letter documents our intention to negotiate an agreement with substantially these terms.

Goals and Intentions

- 1) Microsoft intends to ship PCMCIA compatible system software developed cooperatively with SystemSoft in the Chicago product as an element of the broader Chicago Plug and Play framework. This software will be based on SystemSoft's CardSoft and will be implemented as a VxD.
- 2) Microsoft further intends to ship PCMCIA compatible system software developed cooperatively with SystemSoft in its WinPad product. This software will be based on SystemSoft's CardSoft and will be implemented as a standard mode driver.
- 3) Microsoft intends to offer SystemSoft's CardSoft as an option to its MS-DOS 6 customers. In this case, SystemSoft will do all the required development work and provide technical support to Microsoft's customers.

Implementations and rights

MS-PCA 2597402

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1) The Chicago implementation will include card services and enumeration support as defined in the Microsoft Plug and Play specification. In addition the Chicago implementation will include support for memory technology drivers as defined in the PCMCIA 2.01 specification, and Socket Services drivers which will support the standard functionality of the Intel 365 and Databook

controllers. The enumeration support will include a generic identification mechanism based on CIS tuples and specific identification algorithms for all the cards currently supported by CardSoft.

2) The WinPad implementation will include card services. In addition the WinPad implementation will include support for memory technology drivers as

defined in the PCMCIA 2.01 specification, and Socket Services drivers which will support the standard functionality of the Intel 365 controller.

3) Microsoft will have rights equivalent to ownership in the source code and specifications of the Chicago and WinPad implementations.

4) Upon signing of this letter, SystemSoft will provide the CardSoft implementation to Microsoft in source and object code for the purpose of developing and integrating the implementations into Chicago and WinPad.

Terms

1) SystemSoft will provide 2 engineers who will work closely with the Chicago and WinPad teams for the duration of the project. These engineers will stay in Redmond until both companies agree that the remaining SystemSoft work can be done at SystemSoft's offices. SystemSoft also commits to making other engineers available as needed on several days notice.

2) Microsoft shall pay SystemSoft a one time fee of \$180,000 to cover SystemSoft's non recurring engineering costs (NRE) on its portion of the adaptation work for Chicago and WinPad. This fee is based on an estimate of 24 man months for the overall project (\$45/hour, 167 hours/month). If for some reason the project exceeds the SystemSoft work estimates, Microsoft will pay SystemSoft the same hourly rate up to a limit of \$250,000 including the initial \$180,000 payment.

3) Microsoft will pay SystemSoft the following royalties for its CardSoft implementation for MS-DOS 6:

- * IBM deal - 70% of licensing fees up to \$1/unit of CardSoft, 50% of any fees above \$1.
- * Other OEMs - 50% of licensing fees
- * Microsoft will not charge less than \$1.25/unit unless it needs to match a competing offer

4) Microsoft will provide SystemSoft the Flash File System (FFS) source code royalty free for improvement and re-distribution to SystemSoft's customers. SystemSoft will provide its improved FFS source code back to Microsoft as outlined in a separate letter.

5) Microsoft and SystemSoft will develop a detailed specification for the Chicago and WinPad implementations. This specification will be part of the legal agreement between the two companies

Marketing

Microsoft and SystemSoft will work together to establish CardSoft and the Chicago and WinPad implementations as the industry standard for PCMCIA. Microsoft views SystemSoft as a provider of customized implementations of Socket Services and identification modules for new PCMCIA cards. Microsoft will refer vendors interested in such work to SystemSoft when such referral makes business sense. Upon signing the legal agreement with SystemSoft Microsoft will publicly acknowledge its cooperation with SystemSoft.

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