LICENSE AND DISTRIBUTION AGREEMENT
(ISDN Accelerator Pack)

This License Agreement ("Agreement") is made and entered into this _1ST_ day of _MARCH_ 1996 ("Effective Date"), by and between MICROSOFT CORPORATION, a Washington corporation, One Microsoft Way, Redmond, WA   98052-6399 ("MS"), and NETCOM ONLINE COMMUNICATIONS, a California) corporation ("COMPANY").   _SERVICES, INC._

The parties agree as follows:

1. **DEFINITIONS**

    (a) "Licensed Software" shall mean the software files in object code form listed on Exhibit A.

    (b) "Windows 95" shall mean current and future versions of the Microsoft operating system software.

    (c) "COMPANY's Product" shall mean the COMPANY products listed on Exhibit B which operate in conjunction with Windows 95 and are used to access COMPANY's Service.

    (d) "COMPANY's Service" shall mean the COMPANY Internet services listed on Exhibit B.

    (e) "Product Release" shall mean a release of the Licensed Software which MS designates as a change in the digit(s) to the left of the decimal point in the Licensed Software version number [(x).xx].

    (f) "Update Release" shall mean a release of the Licensed Software which MS designates as a change in the digit(s) to the right of the tenths digit in the Licensed Software version number [x.x(x)].

    (g) "Version Release" shall mean a release of Licensed Software which MS designates as a change in the tenths digit in the Licensed Software version number [x.(x)x].

2. **LICENSE**

    (a) MS grants to COMPANY a nonexclusive, worldwide, royalty-free license to use, reproduce and distribute the Licensed Software in conjunction with COMPANY's Product(s) to COMPANY's end user customers or prospective end users for use with Windows 95. The Licensed Software may be distributed only inside the COMPANY's Product package and not as a "stand-alone" product.

    (b) MS further grants to COMPANY a nonexclusive, worldwide, royalty-free license to post and maintain the Licensed Software on COMPANY's home page(s) on the Internet for distribution to end users or prospective end users of the COMPANY's Service.

    (c) The license granted in Section 2(a) and 2(b) shall extend to the Update Releases and Version Releases of the Licensed Software identified on Exhibit A. If a new Update Release or Version Release is made available by MS, then COMPANY must immediately cease distribution of any prior version of the Licensed Software and distribute such new version. COMPANY may, however, continue to distribute existing inventory of COMPANY's Product containing a prior version of the Licensed Software for a period of three (3) months following MS' release of a new Update Release or Version Release. COMPANY's license shall not extend to Product Releases.

    (d) COMPANY shall require its distributors, dealers and others in its distribution channels to comply with the terms of this Agreement. All rights not expressly granted herein are reserved by MS.

    (e) This Agreement does not include technical support by MS to COMPANY, its distributors, dealers or end users.

MICROSOFT CONTRACT # 7649-6102

3. LICENSE RESTRICTIONS

(a) COMPANY may not reverse engineer, decompile, disassemble or otherwise modify the Licensed Software.

(b) COMPANY may not ~~permit~~ <u>AUTHORIZE</u> further redistribution of the Licensed Software by end user customers of COMPANY's Product or COMPANY's Service.

(c) COMPANY agrees to display a copyright notice for COMPANY's Product and COMPANY's Service ~~sufficient~~ to protect MS' copyright in the Licensed Software, and shall maintain all copyright and other protective notices contained in the Licensed Software.

(d) COMPANY shall distribute and license the use of Licensed Software to end users only pursuant to its end user license agreement ("EULA"). COMPANY's EULA may be a "break-the-seal" end user license agreement or a signed end user license agreement. COMPANY's EULA shall conform to the sample EULA attached as Exhibit D, except that it may be adapted as commercially reasonable for any foreign jurisdiction in which COMPANY markets or distributes the Licensed Software.

(e) COMPANY shall provide to its end user customers commercially reasonable access to COMPANY's Product technical assistance and shall prominently display its customer support telephone number for such assistance in COMPANY's Product documentation.

4. PRICE AND PAYMENT

In consideration of the license rights granted in Section 2 of the Agreement, COMPANY shall comply with the obligations described in Exhibit C.

5. ACCEPTANCE AND LIMITED WARRANTY

(a) The Licensed Software is deemed accepted by COMPANY.

(b) Neither the COMPANY nor any of its employees shall have any right to make any representation, warranty, or promise on behalf of MS.

(c) THE LICENSED SOFTWARE IS PROVIDED TO COMPANY AS IS WITHOUT WARRANTY OF ANY KIND. THE ENTIRE RISK AS TO THE RESULTS AND PERFORMANCE OF THE LICENSED SOFTWARE IS ASSUMED BY COMPANY AND THE END-USER CUSTOMER. MS DISCLAIMS ALL WARRANTIES, EITHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO, IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT. IN NO EVENT SHALL MS BE LIABLE FOR ANY DIRECT, CONSEQUENTIAL, INDIRECT, INCIDENTAL, OR SPECIAL DAMAGES WHATSOEVER, INCLUDING WITHOUT LIMITATION, DAMAGES FOR LOSS OF BUSINESS PROFITS, BUSINESS INTERRUPTION, LOSS OF BUSINESS INFORMATION, AND THE LIKE, ARISING OUT OF THE USE OF OR INABILITY TO USE THE LICENSED SOFTWARE, EVEN IF MS HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. BECAUSE SOME STATES DO NOT ALLOW THE EXCLUSION OR LIMITATION OF LIABILITY FOR CONSEQUENTIAL OR INCIDENTAL DAMAGES, THE ABOVE LIMITATION MAY NOT APPLY.

6. TERM OF AGREEMENT

The term of this Agreement shall commence as of the Effective Date and shall continue until the earlier of either: (i) two (2) years, or (ii) such time as MS makes a subsequent Product Release available, unless terminated earlier as provided herein.

7. DEFAULT AND TERMINATION

(a) This Agreement may terminate earlier if any of the following events of default occur: (i) if COMPANY materially fails to perform or comply with this Agreement or any provision hereof; (ii) if COMPANY fails to strictly comply with the provisions of Section 9 or makes or attempts to make an assignment in violation of Section 11(e); (iii) if COMPANY becomes insolvent or admits in writing its inability to pay its debts as they mature, or makes an assignment for the benefit of creditors; (iv) if a petition under any foreign, state, or United States bankruptcy act, receivership statute, or the like, as they now exist, or as they may be amended, is filed by COMPANY; (v) if such a petition is filed by any third party, or an application for a receiver of COMPANY is made by anyone and such petition or application is not resolved favorably to COMPANY within sixty (60) days; or (vi) upon 30 days written notice by COMPANY.

(b) Termination under subsection 7(a)(ii) shall be effective as of the date notice is given. In all other cases, termination shall be effective thirty (30) days after notice of termination to COMPANY if COMPANY's defaults have not been cured. The rights and remedies of MS provided in this Section shall not be exclusive and are in addition to any other rights and remedies provided by law or this Agreement.

(c) Upon termination or expiration of this Agreement, COMPANY must cease all distribution of Licensed Software and COMPANY shall within ten (10) days following the termination or expiration date (i)destroy, or at MS' option, return to MS, all full or partial copies of the Licensed Software in COMPANY's possession or under its control, including any in-house copies COMPANY may have produced and (ii) remove the Licensed Software from COMPANY's Service.

(d) End user licenses validly granted prior to expiration or termination of this Agreement shall survive termination or expiration of this Agreement.

(e) Sections 3, 5, 7, 9, 10 and 11 shall survive termination or expiration of this Agreement.

8. SUPPORT

(a) COMPANY shall be responsible for providing end-user support for customers of the Licensed Software, COMPANY's Product and COMPANY's Service.

(b) This Agreement does not include technical support from MS to COMPANY. Technical support may be available from MS or an MS subsidiary pursuant to a separate agreement.

9. NONDISCLOSURE AGREEMENT

COMPANY shall keep confidential the terms and conditions of this Agreement, and other non-public information and know-how disclosed to COMPANY by MS. However, COMPANY may disclose the terms and conditions of this Agreement in confidence to its immediate legal and financial consultants as required in the ordinary course of COMPANY's business.

10. NOTICES AND REQUESTS

All notices, authorizations, and requests in connection with this Agreement shall be deemed given on the day they are (i) deposited in the U.S. mails, postage prepaid, certified or registered, return receipt requested; or (ii) sent by overnight courier, charges prepaid, with a confirming fax; and addressed as follows:

<u>NOTICES TO COMPANY</u>:

<u>NETCOM Online Communications, Inc.</u> *Services*

Attn:
Telephone:
Fax:

3031 Tisch Way
San Jose, CA 95128
Thom Weatherford
408-556-3661
408-556-3250

<u>NOTICES TO MS</u>:

Notices: MICROSOFT CORPORATION
                 One Microsoft Way
                 Redmond, WA 98052-6399

Attn: Senior Vice President, Systems
Copy to: Law & Corporate Affairs
Fax: (206) 936-7329

or to such other address as the party to receive the notice or request so designates by written notice to the other.

11. <u>GENERAL</u>

(a)   This Agreement shall be construed and controlled by the laws of the State of Washington, and COMPANY consents to jurisdiction and venue in the state and federal courts sitting in the State of Washington. Process may be served on either party in the manner provided in Section 10 above, or by such other method as is authorized by law.

(b)   Neither this Agreement, nor any terms and conditions contained herein, shall be construed as creating a partnership, joint venture, agency relationship or as granting a franchise.

(c)   This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior and contemporaneous agreements or communications. It shall not be modified except by a written agreement dated subsequent to the date of this Agreement and signed on behalf of COMPANY and MS by their respective duly authorized representatives. No waiver of any breach of any provision of this Agreement shall constitute a waiver of any prior, concurrent or subsequent breach of the same or any other provisions hereof, and no waiver shall be effective unless made in writing and signed by an authorized representative of the waiving party.

(d)   If any provision of this Agreement shall be held by a court of competent jurisdiction to be illegal, invalid or unenforceable, the remaining provisions shall remain in full force and effect.

(e)   The rights and obligations hereunder shall inure to the benefit of the successors of the parties hereto, provided any rights or obligations hereunder shall not be assigned by COMPANY without the prior written approval of MS.

(f)   Any Licensed Software which COMPANY distributes or licenses to or on behalf of the United States of America, its agencies and/or instrumentalities (the "Government"), is provided to COMPANY with RESTRICTED RIGHTS. Use, duplication or disclosure by the Government is subject to restriction as set forth in subparagraph (c)(1)(ii) of the rights in Technical Data and Computer Software clause at DFAR 252.227-7013, or as set forth in the particular department or agency regulations or rules which provide Microsoft protection equivalent to or greater than the above-cited clause. COMPANY shall comply with any requirements of the Government to obtain such RESTRICTED RIGHTS protection, including without limitation, the placement of any restrictive legends on the Tool documentation and any license agreement used in connection with the distribution thereof. Manufacturer is Microsoft Corporation, One Microsoft Way, Redmond, Washington 98052-6399. Under no circumstances shall Microsoft be obligated to comply with any Governmental requirements regarding cost and pricing data and cost

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accounting. For any distribution or license of the Licensed Software that would require compliance by Microsoft with Governmental requirements relating to cost and pricing data or cost accounting, COMPANY must obtain an appropriate waiver or exemption from such requirements for the benefit of Microsoft from the appropriate Governmental authority before the distribution and/or license of the Licensed Software to the Government.

(g) COMPANY acknowledges that the Licensed Software is subject to the export control laws and regulations of the US, and any amendments thereof. COMPANY confirms that with respect to the Licensed Software, it will not export or re-export them, directly or indirectly, either to (i) any countries that are subject to US export restrictions (currently including, but not necessarily limited to, Cuba, the Federal Republic of Yugoslavia (Serbia and Montenegro), Iran, Iraq, Libya, North Korea, and Syria); (ii) any end user who COMPANY knows or has reason to know will utilize them in the design, development or production of nuclear, chemical or biological weapons; or (iii) any end user who has been prohibited from participating in the US export transactions by any federal agency of the US government. COMPANY further acknowledges that the Licensed Software may include technical data subject to export and re-export restrictions imposed by US law.

(h) COMPANY shall, at its own expense, obtain and arrange for the maintenance in full force and effect of all governmental approvals, consents, licenses, authorizations, declarations, filings, and registrations as may be necessary for the performance of all of the terms and conditions of the Agreement including, but not limited to, foreign exchange approvals, import and offer agent licenses, fair trade approvals and all approvals which may be required to realize the purposes of the Agreement.

(i) In the event income taxes are required to be withheld by any non-U.S.A. government on payments required hereunder, COMPANY may deduct such taxes from the amount owed MS and pay them to the appropriate tax authority. COMPANY shall promptly deliver to MS an official receipt for any such taxes withheld or other documents necessary to enable MS to claim a U.S.A. Foreign Tax Credit. COMPANY will make certain that any taxes withheld are minimized to the extent permitted by the applicable law.

(j) If either MS or COMPANY employs attorneys to enforce any rights arising out of or relating to this Agreement, the prevailing party shall be entitled to recover reasonable attorneys' fees and costs.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date set forth above. All signed copies of this Agreement shall be deemed originals.

MICROSOFT CORPORATION

By _~Steven M Wells~_____

Name (Print) STEVEN M WELLS

Title DIRECTOR

Date 4/16/96

By Rob Rustad _____

Name (Print) Network Product Manager

Title Network Product Manager

Date 3/7/96

EXHIBIT A

Licensed Software

The Licensed Software consists of the following files from the ISDN Accelerator Pack for Windows 95, version 1.0 (Domestic English Language):

<u>ISDN Support:</u>
isdn.hlp
isdnui.dll
ndis.vxd
ndis2sup.vxd
ndishlp.sys
ndiswan.inf
ndiswan.vxd
ndswan16.dll
ndswan32.dll
cfgwiz.dll
pppmac.vxd
protman.dos
protman.exe
rasapi32.dll
secur32.dll
spap.vxd
svrapi.dll
telephon.cpl
vnetbios.vxd
wan.tsp
readme.txt
usreadme.txt

EXHIBIT B

COMPANY'S PRODUCT(S) AND SERVICE(S)

NetCruiser and NetCruiser accounts
NetComplete and NetComplete accounts
ISDN NetCruiser and ISDN NetCruiser accounts

EXHIBIT C

COMPANY OBLIGATIONS

1. COMPANY shall use the following wording to describe the ISDN Accelerator Pack on any COMPANY Home Page(s) where the ISDN Accelerator Pack is available for downloading under the license provided in Section 2 (b):

   ISDN Accelerator Pack for Windows 95
   Add-on software from Microsoft that integrates ISDN with Windows 95 for high speed access to the Internet or a corporate LAN.

2. Include the Get ISDN for Microsoft Windows logo on COMPANY's Internet Home Page for ISDN-related Products and/or Services, along with a hot link to the Get ISDN for Microsoft Windows site on www.microsoft.com on the face of the page.

3. Participate in a Microsoft press release announcing that COMPANY has licensed the ISDN Accelerator Pack.

4. Provide MS with a quarterly volume distribution summary for COMPANY's Product containing the ISDN Accelerator Pack and a quarterly summary of downloads of the ISDN Accelerator Pack via COMPANY's Service. Such summary shall be provided to MS within forty five (45) days following the end of the quarter.

EXHIBIT D - SAMPLE LICENSE AGREEMENT PROVISIONS

COMPANY LICENSE AGREEMENT

(ATTACH NETCOM END USER LICENSE AGREEMENT)

NETCOM NETCRUISERx LICENSE AGREEMENT
Revision 2.0, 11/20/95

IMPORTANT: YOU SHOULD CAREFULLY READ THE FOLLOWING TERMS AND CONDITIONS BEFORE USING THIS SOFTWARE IN ANY WAY. BY USING THIS SOFTWARE IN ANY WAY YOU ACCEPT THESE TERMS AND CONDITIONS. IF YOU DO NOT AGREE WITH THESE TERMS AND CONDITIONS, YOU SHOULD PROMPTLY EXIT THE PROGRAM AND EITHER DESTROY IT OR RETURN IT TO YOUR SUPPLIER AND YOUR PURCHASE PRICE, IF ANY, WILL BE REFUNDED.

NETCOM On-Line Communication Services, Inc. ("NETCOM"), the owner of the NetCruiser software program (the "Program"), grants to you a non-exclusive license to use the Program and its related documentation (the "Documentation") under the following terms and conditions.

LICENSE

You may:

a. Copy the Program for backup purposes solely in support of your use of the Program in accordance with this Agreement; and

b. Copy and install the Program on more than one computer, or physically transfer the Program from one computer to another, provided that the Program is used by you in connection with only one computer at a time.

You may not use the Program on a network server for access by more than one computer. **YOU MAY NOT USE, COPY, MODIFY, OR TRANSFER THE PROGRAM OR DOCUMENTATION, EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT. YOU MUST REPRODUCE AND INCLUDE THE COPYRIGHT NOTICE ON ANY COPY OF THE PROGRAM OR DOCUMENTATION. YOU MAY NOT MODIFY, TRANSLATE, REVERSE ENGINEER, DECOMPILE, DISASSEMBLE (EXCEPT TO THE EXTENT APPLICABLE LAWS PROHIBIT SUCH RESTRICTION), OR CREATE DERIVATIVE WORKS BASED ON THE PROGRAM, NOR MAY YOU RENT, LEASE OR TRANSFER THE PROGRAM OR TRANSFER OR GRANT RIGHTS TO THE PROGRAM IN ANY WAY. ANY ATTEMPT OTHERWISE TO SUBLICENSE, ASSIGN OR TRANSFER ANY OF THE RIGHTS, DUTIES OR OBLIGATIONS UNDER THIS AGREEMENT IS VOID.**

TERM

The license is effective until terminated. You may terminate it at any time by destroying all copies of the Program and the Documentation. The license will also terminate upon your failure to comply with any term or condition of this Agreement. Upon such termination, you must destroy all copies of the Program and the Documentation.

LIMITED WARRANTY; LIMITATION OF REMEDIES

THE PROGRAM AND DOCUMENTATION ARE PROVIDED "AS IS" WITHOUT WARRANTY OF ANY KIND, EITHER EXPRESSED OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. The entire risk as to the quality and performance of the program is with you.

Should the program prove defective, you assume the entire cost of all necessary servicing, repair or correction. NETCOM does not warrant that the functions contained in the Program will meet your requirements or that the operation of the Program will be uninterrupted or error-free.

IN NO EVENT WILL NETCOM OR ITS SUPPLIERS OR RESELLERS OR DISTRIBUTORS BE LIABLE TO YOU OR ANY OTHER PERSON UNDER TORT, CONTRACT, OR OTHER LEGAL THEORY FOR ANY DAMAGES, INCLUDING BUT NOT LIMITED TO ANY LOST PROFITS, LOST SAVINGS OR OTHER INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF THE USE OR INABILITY TO USE THE PROGRAM, EVEN IF NETCOM OR ITS SUPPLIERS OR RESELLERS OR DISTRIBUTORS HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, OR FOR ANY CLAIM BY ANY OTHER PARTY. IN NO EVENT SHALL NETCOM'S LIABILITY ARISING FROM OR RELATING TO THIS LICENSE THE PROGRAM OR DOCUMENTATION EXCEED TWENTY DOLLARS ($20.00).

Some states do not allow the exclusion of implied warranties or the limitation or exclusion of liability for incidental or consequential damages, so the above exclusions may not apply to you.

GENERAL

Export. The Program may not be transmitted or otherwise exported or reexported (i) into (or to a national or resident of) Cuba, Iraq, Libya, Yugoslavia, North Korea, Iran, Syria or any other country to which the U.S. has embargoed goods; or (ii) to anyone on the U.S. Treasury Department's list of Specially Designated Nationals or the U.S. Commerce Department's Table of Deny Orders. By using the Program in any way, you represent and warrant that you are not located in, under the control of, or a national or resident of any such country or on any such list.

In addition, if the licensed Software is identified as a not-for-export product on the box, media or in the installation process, then except for export to Canada for use in Canada by Canadian citizens, the Software and any underlying technology may not be exported outside the United States or to any foreign entity or foreign person as defined by U.S. Government regulations, including without limitation, anyone who is not a citizen, national or lawful permanent resident of the United States. By using the Program in any way, you hereby agree to the foregoing and warrant and represent that

you are not a foreign person or under the control of a foreign person.

If any provision of this Agreement is held to be unenforceable for any reason, such provision shall be reformed only to the extent necessary to effect the same economic result.

Choice of Law and Venue. This license will be governed by and construed in accordance with the laws of the State of California, excluding its conflict of laws principles, and the parties consent to (a) exclusive personal jurisdiction of and venue in the state courts located in and serving Santa Clara County, California. Each party waives a jury trial in any matter arising out of or relating to this Agreement. The application of the United National Convention of Contracts for the International Sale of Goods is expressly excluded.

Relationship of the Parties. The parties to this Agreement are independent contractors. Neither party nor its employees has the authority to bind or commit the other party in any way, or to incur any obligation on its behalf.

Assignment. You may not assign this license or assign any rights or delegate any duties under this license without NETCOM's prior written consent.

U.S. Government Restricted Rights. The Program is provided with Restricted Rights. Use, duplication, or disclosure by the United States government (the "Government") is subject to restrictions as set forth in subparagraph (c)(1)(ii) of The Rights in Technical Data and Computer Software clause at DFARS 252.227 7013 or subparagraphs (c)(i) and (2) of the Commercial Computer Software-Restricted Rights at 48 CFR 52.227 19, as applicable, or as set forth in the particular department or agency regulations or rules that provide NETCOM with protection equivalent to or greater than the above-cited clause. You will comply with any requirement of the Government to obtain such restricted rights protection, including without limitation, the placement of any restrictive legends on the Software and any license agreement used in connection with the distribution of the Software. The Manufacturer is NETCOM On Line Communication Services, Incorporated, 3031 Tisch Way, 2nd Floor, San Jose, California 95128.

Your use in any way of this Program acknowledges that you have read this Agreement, understand it and agree to be bound by its terms and conditions.

You further agree that it is the complete and exclusive statement of the agreement between us which supersedes any proposal or prior agreement, oral or written, and any other communications between us relating to the subject matter hereof.