



This letter of intent outlines the mutual understanding made between Micrografx and Microsoft concerning of the licensing of Mirrors product from Micrografx to Microsoft.

- 1) Micrografx will license to Microsoft for the purpose of internally using, modifying and developing derivative products from the Mirrors Source Code:
 - a) Prerelease version of Mirrors Source Code.
 - b) Regular updates of Mirrors source code until and including commercial release of version 1 (FCS).

Micrografx will provide to Microsoft:

- c) Support of Microsoft developers via Email, limited telephone support, and up to one week of review in Richardson, Texas.

2) Microsoft agrees to:

- a) Pay Micrografx a total of \$175,000 for receipt of the Mirrors Source Code.
- b) Pay Micrografx a license fee of \$2.00 per Windows Developer Toolkit sold between July 1, 1990 and June 30, 1991.
- c) Limit the use of the Source Code to develop derivative products to be used in support of Microsoft applications in the following categories:
 - 1) Word processing
 - 2) Spreadsheets
 - 3) Database
 - 4) Presentation graphics
 - 5) Project management
 - 6) Mail products
 - 7) Integrated products

This limitation will be in effect until one year from Mirrors FCS or June 30, 1990 whichever comes first. Following expiration of the one year term, Microsoft shall not be limited in any way, except distribution of Source Code to any third party will be limited by Microsoft in the same way Microsoft limits the distribution of its own source code.

Microsoft agrees not to market the current Mirrors product as a retail product.

Mirrors code will not be shared with third parties or people not on the Microsoft project during this limitation.

- d) Promote the use of Mirrors products to Windows ISV's.
 - 1) Joint press release with stressing technology exchange between Microsoft and Micrografx.

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- 2) Recognize the Mirrors technology use by Microsoft at seminars and conferences.
- 3) Promote the Micrografx Mirrors product to Windows ISV's.
- 3) Micrografx agrees that all derivative products developed by Microsoft from the Mirrors Source Code shall be owned by Microsoft.
- 4) Microsoft and Micrografx agree to negotiate in good faith to prepare a definitive written agreement for the Mirrors license, including terms regarding warranty, indemnity and copyright, among other common provision, with the intent of executing the license agreement on or before April 30, 1989.
- 5) Immediately upon acceptance of this letter of intent, Micrografx shall deliver the Mirrors Source Code to Microsoft, and Microsoft shall pay Micrografx \$75,000 as a down payment on the total license fee of \$175,000. Microsoft may begin internal use and development of derivative products upon receipt of the Mirrors Source Code. In the event that Microsoft and Micrografx abandon negotiations on the License Agreement without executing it, Microsoft shall return the Mirrors Source Code and abandon product plans which were based on it, and Micrografx shall refund \$75,000 to Microsoft.

Except for the provision of Paragraph 4, and 5, which create binding obligations, this letter of intent creates no enforceable rights or obligations.

If this letter of intent correctly sets forth an agreement, please confirm by signing and returning a copy to me no later than 5:00pm, April 10, 1989.

Sincerely,

MICROSOFT CORPORATION

Mike J. Maples, Vice President Applications

Accepted and agreed to this _____ day of _____, 1989.

MICROGRAFX

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By _____

Title _____

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