(DRAFT FOR DISCUSSION PURPOSES ONLY)
Supplement Addendum

Product Name(s) and Version(s): Microsoft® Windows® 95 and/or Microsoft® Windows NT® Workstation Version 4.0
Language Version(s): _____
Supplement: Internet Explorer Version 4.0

The purpose of this Supplement Addendum is to set forth the additional license rights and related restrictions which apply to reproduction and distribution of the above specified Supplement ("Supplement"). The term "COMPANY" as used herein means a company which has a current valid OEM license with MS for the above referenced Product ("Agreement") which Agreement includes Exhibit F. If your company's license with MS does not include Exhibit F, these additional rights may not be exercised by your company and you may wish to contact your Account Manager for information on amending the license.

1. Subject to the restrictions set forth in Exhibit F, MS grants to COMPANY the following additional rights as described in Exhibit F:

Distribution on Other Media with Customer Systems Rights

2. The Agreement's Exhibit C for the Product(s) includes an Additional Provision that restricts COMPANY from altering the "desktop screen" and other aspects of the Product software ("Initial Boot Provision"). In the event that COMPANY preinstalls the Supplement covered by this Supplement Addendum (Internet Explorer 4.0), then the Initial Boot Provision shall be amended to include the following:

(2) If the Product software includes the ability to run in "Active Desktop" mode, COMPANY may customize the Active Desktop in the Preinstalled Product Software as described below and in accordance with any instructions provided in the OPK, provided COMPANY otherwise complies fully with the Initial Boot Provision:

(A) add COMPANY "Active Desktop components" as described in the OPK, including web site and channel links, to the Active Desktop provided that any trade names, trademarks, logos or brands displayed in connection with such components shall be limited to those under which the Customer System is marketed and distributed in accordance with the Agreement("Customer System Marks");

(B) customize the background wallpaper of the Active Desktop provided that any trade names, trademarks, logos or brands displayed in such customized wallpaper shall be limited to Customer System Marks;

(C) add a single COMPANY "Premium Channel" (as described in the OPK) to the Active Desktop channel bar with links to COMPANY or third party websites or content installed on the hard disk of the Customer System ("OEM Premium Channel") provided that any trade names, trademarks, logos or brands displayed on the channel "button" for the OEM Premium Channel shall be limited to Customer System Marks;

(D) add "sub-channels" to the OEM Premium Channel on the Active Desktop channel bar with links to COMPANY or third-party web sites or content installed on the hard disk of the Customer System;

(E) configure the OEM Premium Channel to be "subscribed" by default, such that the OEM Premium Channel content and schedule information downloads to the Customer System hard disk automatically when the end user connects to the Internet and selects the "update" option;

(F) modify [and/or delete] channels included by MS in the Product software but only upon specific written request by a COMPANY corporate customer as per the corporate customer's build-to-order specifications. COMPANY shall not advertise the availability of or otherwise solicit modifications[/deletions] to the MS-supplied channels.

(3) If the Product software includes the ability to run in "Active Desktop" mode, COMPANY may also include on the Supplement media supplied by the Authorized Replicator, COMPANY or third party "channel" content which is installed by COMPANY on the hard disk of the Customer System provided that (i) COMPANY pays all costs related to customizing the Supplement media; (ii) COMPANY pays all costs of the customized Supplement media to the extent that such costs exceed the costs of the standard Supplement media; and (iii) COMPANY hereby indemnifies MS and holds MS harmless from all damages, costs, and expenses (including without limitation reasonable attorney's fees and expenses) resulting from any claims asserted against MS which arise out of customizations made by COMPANY to the Supplement media.

(4) Until sixty (60) days after MS' release to manufacturing ("RTM") of the successor to Windows 95 (i.e. the Product code named "Memphis"), MS shall pay the costs of the standard Supplement).

All capitalized terms used herein and not otherwise defined shall have the same meaning as in the Agreement. Except as expressly amended hereby, the Agreement shall remain in full force and effect.

5/20/97 IE 4 Supplement Addendum

CONFIDENTIAL

GOVERNMENT EXHIBIT 754

Fax Cover Sheet

IBM Kirkland Programming Center
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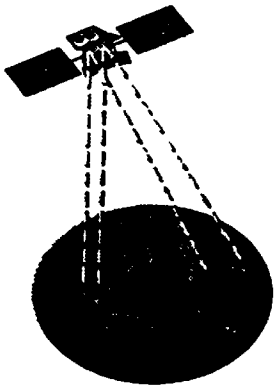

DATE: JUNE 14th **TIME:** 5:00 PM

TO: Greg Huber **PHONE:** 919-486-1295
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FROM: Dean Dubinsky **PHONE:** 1-206-803-5827
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SUBJECT:

cc: Steve Barnes 919-543-0391

Number of pages including cover sheet: 2 Pages

Message : IE40 License Supplement