

**From:** Kahl, Gui  
**Sent:** Thursday, January 31, 2002 9:05 AM  
**To:** Homeister, Chris; Fama, Tony  
**Subject:** FW: Dave's request to speak with Richard

-----Original Message-----

**From:** Russell, Dave  
**Sent:** Thursday, January 31, 2002 9:02 AM  
**To:** Kahl, Gui  
**Subject:** RE: Dave's request to speak with Richard

I did talk to Mike Oldham on Wednesday PM. I asked Mike for an extension on our current BTD since we still have a few open issues, IP, Indemnification, and operationalizing the COA issues. I told Mike that if we signed it on Thursday, we would be in breach right away on the COA. He told me that everyone had to sign the new BTD and that the BTD was approved by the DOJ and the 9 states that sided with the DOJ. Any changes that we want to see in the BTD must be documented and would be reviewed in June and could make it into the new BTD that we would receive in June that we would incorporate in Aug., when our current BTD expires. The bottom line was sign it as is, no negotiating.

-----Original Message-----

**From:** Kahl, Gui  
**Sent:** Wednesday, January 30, 2002 6:57 PM  
**To:** Russell, Dave  
**Subject:** FW: Dave's request to speak with Richard

FYI. Any feedback from your conversation?

-----Original Message-----

**From:** Kahl, Gui  
**Sent:** Wednesday, January 30, 2002 6:16 PM  
**To:** 'Lisa Georgi'  
**Subject:** Dave's request to speak with Richard

Lisa,

As we discussed, Dave would like to speak with Richard as soon as he's available to discuss a potential extension to our existing DTOS and BTD agreements. We continue to be significantly concerned with the potential implication of some of the proposed terms in the new DTOS and BTD (i.e. Covenant not to sue for patent infringement, COA returns, IP rights), which is further compounded by our inability to develop a mutually acceptable compromise given no changes to the agreement have been allowed.

The additional time will be used to engage with your team to address these concerns to an acceptable level and make the necessary operational changes inside of Gateway. Our goal is to have a mutually acceptable and balanced agreement that allows us to continue ship OEM product without tremendous potential liability. To re-affirm my answer to your question if we're planning on buying retail/FPP product in two days, we have no plans or intentions to do so.

Thank you in advance for your help in setting up the aforementioned meeting with Richard.

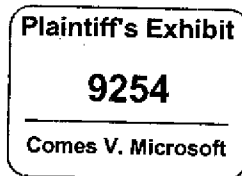
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