

**Outline of Settlement Proposal in**  
**DSC Communications Corp. v. Brown; Cause No. 199-00596-97**

**PRIVILEGED SETTLEMENT COMMUNICATION UNDER TEX. R. CIV. P. 408**

1. Evan Brown ("Brown") and Alcatel USA, Inc. f/k/a DSC Communications Corporation ("Alcatel") agree that Alcatel (or an assignee selected by Alcatel in its complete discretion) owns right, title and interest to 20% of the "Solution," as that term has been defined by the Court in the above-referenced matter. Brown and Alcatel agree that Brown owns right, title and interest to the remaining 80% of the Solution;
2. Brown and Alcatel agree that Alcatel (or an assignee selected by Alcatel in its complete discretion) is granted a perpetual license and right to use the "Solution" for all Alcatel corporate affiliates;
3. The terms and conditions of the settlement shall be strictly confidential. Brown shall make no further comments, statements or disclosures concerning Alcatel or the settlement of this lawsuit, and shall permanently remove his website (www.unixguru.com) from the World Wide Web. In the event Brown violates this confidentiality provision, such violation shall constitute a forfeiture of an additional 20% interest in the Solution to Alcatel. Notwithstanding the foregoing, Brown and Alcatel will be permitted to state that the lawsuit has settled on terms mutually satisfactory to both parties.
4. The parties acknowledge and agree that Brown is not a partner or joint venturer with Alcatel or any of its corporate affiliates. Neither Alcatel nor Brown shall represent or imply to any person that they are affiliated with, partners with, or in a joint venture with the other;
5. At the time of settlement, Alcatel will pay the attorneys' fees and expenses incurred herein by the attorneys for Brown.
6. At the time of settlement, Alcatel will pay Brown an amount to be determined by the parties as fair and reasonable compensation for the lost income he has suffered due to the pendency of this lawsuit and the existence of the Temporary Injunction and for Brown's release of any claims he may have against DSC, including claims for malicious prosecution and tortious interference with prospective business relations.
7. The parties shall execute a full and final settlement document containing standard terms and conditions, including a mutual general release and covenant not to sue;
8. Upon execution of a full and final settlement document, the parties shall file a motion to dismiss the above-referenced lawsuit with prejudice, with each party to bear its own attorneys' fees and costs.