

MEMORANDUM

July 16, 1996

TO: Evan Brown  
FROM: Dave Hinshaw *Dave Hinshaw*  
COPY: Wylie Basham  
George Brunt  
Dan Finch  
  
SUBJECT: Assembly Language Converter

You have requested the Company to state its position with regard to your idea or invention concerning an assembly language converter product that you believe may be one of the first products to allow automatic conversion of executable machine code or assembly language to a specified high level language. I enclose a copy of your Employee Patent, Copyright and Proprietary Information Agreement (or "Employee Agreement"), executed on April 27, 1987. In paragraph (A), you agreed to communicate to the Company all inventions, etc. "which are along the lines of the business, work or investigations of the Company..." While we understand that your current assignment is not to develop an assembly language converter product, please be advised that the Company has on several occasions investigated assembly language converter systems, software, and ideas. For example, as recently as May of this year, an invention disclosure was provided to the Company by several employees in IN/Wireless Products Division who were specifically directed to work on a potential assembly language converter project. Thus, your work in the assembly language converter area would fall under the provisions of the Employee Agreement concerning "along the lines of the business, work or investigations of the Company." Accordingly, any work that you have done in this area is work that belongs to the Company.

However, the Company is interested in providing and willing to provide you with a format to maintain the security of your employment with the Company while at the same time allowing you to participate in the upside of a fully functional operating and patentable assembly language converter product. Pursuant to the Employee Agreement, we request that you communicate to us a description of the assembly language converter that will permit us to make an assessment as to the viability of the project. Assuming that we are in agreement with you that this is a viable project, and subject to the preparation of mutually agreeable documentation, we propose that the development and marketing of the assembly language converter be handled as follows:

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- We will reassign you from your current position to a position known as Software Engineering Tools Development that will enable you to spend full time on the development of the project. We will provide you such assistance, support, funding and personnel as may be appropriate. Additionally, you will report to Matt Bilbo, Development Services, and will be responsible to Rick Billings, Software Engineering Tools Group, as your supervisor.
- At the end of four (4) months or such time as the Company may deem appropriate, the Company will analyze and make a decision as to whether it wants to continue to be involved in the project.
- If at that time the Company decides not to continue the support of the project, it will retain the invention and patent rights, and will apply for and own any patents in our name. We will, however, provide you with a license to entitle you to complete the project. All marketing rights will be licensed to you, including all rights to income. We will retain the right to use the finished product internally for conversion of codes DSC uses, including EMX-2500 Motorola code. In the license, the Company will retain an option exercisable on an agreed upon basis to participate financially and otherwise in the future.
- If instead, the Company decides to continue funding and development of the project, the Company will pay you five percent (5%) of the net savings to the Company (estimated cost to develop the high level language code, minus the cost of converting to the high level language code, both costs including documentation) up to a total maximum payment of \$2,000,000, based upon conversion of our codes, EMX-2500 Motorola code, and any other internal applications. DSC will apply for and own any patents. With regard to third-party markets, the Company will split with you on a fifty/fifty (50/50) basis all net profits generated.