

CAUSE NO. 199-596-97

DSC COMMUNICATIONS CORPORATION,

Plaintiff,

v.

EVAN BROWN,

Defendant.

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IN THE DISTRICT COURT OF

COLLIN COUNTY, TEXAS

219TH JUDICIAL DISTRICT

**DEFENDANT'S MOTION TO MODIFY COURT'S JANUARY 19, 2000 ORDER**

TO THE HONORABLE JUDGE OF SAID COURT:

COMES NOW Defendant Evan Brown ("Brown") and files this his Motion to Modify Court's January 19, 2000 Order, and would respectfully show the Court as follows:

**I.**

On January 19, 2000, the Court entered the Order attached hereto as Exhibit "A" (the "Order"). In part, the Court ordered Brown to "fully and completely describe the solution and disclose it to DSC by 5:00 p.m. on Friday, April 28, 2000." Exhibit "A" at p. 5. On or about January 27, 2000, Brown filed a voluntary petition for bankruptcy in Case No. 00-6-177-LK, in the United States Bankruptcy Court for the Western District of Texas, Waco Division. As evidenced by the filings in the Bankruptcy Court, Brown's financial condition forced him to file for bankruptcy protection. Contrary to DSC's suggestion, the bankruptcy was not filed in an attempt to evade this Court's Order.

**II.**

During the pendency of the bankruptcy, this Court's Order was stayed due to the automatic stay applicable in bankruptcy. DSC filed in the Bankruptcy Court a Motion to Modify Stay seeking

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CLERK OF DISTRICT COURT  
COLLIN COUNTY, TEXAS  
BY [Signature] DEPUTY

to lift the stay so that this litigation could continue in this Court. Brown opposed the stay, believing that the matter was more appropriately resolved by the Bankruptcy Court, since it is, in essence, a dispute regarding ownership of the estate's most valuable asset, his idea relating to code conversion. As part of his efforts to have the Bankruptcy Court hear this dispute, Brown removed this case to the Federal District Court for the Eastern District of Texas, Sherman Division, on or about April 3, 2000.

### III.

The hearing on DSC's Motion to Modify Stay filed in the Bankruptcy Court began at 10:00 a.m. on Monday, April 3, 2000. The undersigned counsel for Brown had been misinformed that the hearing was set for Tuesday, April 4, 2000, and therefore, was not in attendance at the hearing. At the hearing, the Bankruptcy Court granted the Motion to Modify Stay. The very next day, the undersigned counsel for Brown filed in the Bankruptcy Court a Motion for Rehearing.

### IV.

On April 13, 2000, DSC filed with the District Court in Sherman a Motion to Remand, which included a request for sanctions against Brown's attorneys. Counsel for DSC did not confer with counsel for Brown before filing the remand motion. At the time the motion was filed, the Bankruptcy Court had not yet ruled on Brown's Motion for Rehearing. However, the next day, April 14, 2000, the Bankruptcy Court, without a hearing, denied the Motion for Rehearing. Based upon the Bankruptcy Court's denial of Brown's Motion for Rehearing, counsel for Brown filed a Response to DSC's Motion to Remand, in which Brown agreed that the case be remanded to this Court, but argued that his attorneys should not be sanctioned for having filed the removal. The trial court agreed with Brown's attorneys on this point, denying DSC's request for attorneys' fees. On May 4, 2000, the Court entered an Order remanding the case to this Court.

V.

Since the case was remanded to this Court, counsel for Brown and counsel for DSC worked together to agree on the hardware and software to be utilized by Brown in his disclosure. Due to technical issues, DSC was unable to provide the necessary hardware and software until June 26, 2000. *See* Exhibit "B" attached hereto. Brown arrived at DSC's facilities on that day to begin his disclosure. Since June 26, Brown has continued to appear at the offices of DSC each day to continue his disclosure except for two days over the Fourth of July on which counsel for DSC agreed that Brown need not appear.

VI.

Unfortunately, Brown's compliance with the Court's Order is exposing him to continued financial hardship. Because he resides nearly 200 miles from DSC's place of business, Brown must incur substantial hotel, food and gas expenses in order to comply with the Court's Order. Brown's financial condition makes it unlikely he will be able to complete his disclosure unless he is provided with some form of reimbursement or compensation for his expenses. *See* Brown Affidavit attached hereto as Exhibit "C." Counsel for Brown attempted to avoid this issue by suggesting that Brown be allowed to complete his code conversion at his home using the equipment provided by DSC. *See* Exhibit "D" attached hereto. DSC rejected this idea and the Court's Order January 19 Order mandated that Brown make the disclosure at DSC's place of business in Plano, Texas. While it made no mention of reimbursement for expenses, this Court's previous Temporary Injunction Order recognized that Brown should be compensated for his efforts in disclosing his idea. The Order, attached hereto as Exhibit "E," stated that Brown could apply to the Court for compensation in the amount of \$45.00 per hour for his efforts upon completion of his disclosure.

VII.

In order to ensure that Brown is financially able to complete his disclosure in accord with this Court's January 19, 2000 Order and its previous Temporary Injunction Order, Brown respectfully requests that the Court modify its January 19 Order to provide some form of compensation or reimbursement to Brown. Brown submits that the Order should be modified so as to require DSC to reimburse Brown for his actual expenses on a weekly basis so long as Brown continues to make a good faith disclosure of his idea. In the alternative, Brown submits that the Order should be modified so as to require DSC to reimburse Brown weekly for his time at the rate of \$45.00 per hour (the rate specified by the Injunction) so long as Brown continues to make a good faith disclosure of his idea

WHEREFORE, PREMISES CONSIDERED, Defendant Evan Brown respectfully requests that this Court modify its January 19, 2000 Order in order to provide Brown with some form of compensation or reimbursement for his expenses and time as set forth above.

Respectfully submitted,



**ERIC D. PEARSON**

State Bar No. 15690472

**SAYLES, LIDJI & WERBNER**

*A Professional Corporation*

4400 Renaissance Tower

1201 Elm Street

Dallas, TX 75270

(214) 939-8700

FAX (214) 939-8787

**ATTORNEY FOR DEFENDANT**

**CERTIFICATE OF SERVICE**

The undersigned certifies that a copy of the foregoing instrument was served upon the attorneys of record of all parties to the above cause in accordance with Rule 21a, Texas Rules of Civil Procedure, on this 10~~th~~ day of July, 2000.



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Eric D. Pearson

*In the 219th Judicial District Court  
of the State of Texas  
Curt B. Henderson, Judge Presiding*

*No. 199-00596-97*

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**DSC Communications Corporation**

**vs.**

**Evan Brown**

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**ORDER**

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On June 10, 1999, the Court heard Plaintiff DSC's Second Motion to Compel Interrogatory Responses and For Sanctions (the "Motion"). The parties appeared through their attorneys of record and announced ready to proceed on the Motion. In the Second Motion, DSC demonstrated that the Court ordered that Defendant fully and completely disclose the Solution in its June 30, 1997 Temporary Injunction Order. In connection with entering the Temporary Injunction Order, the Court entered orders (1) requiring strict confidentiality of the Solution once it had been disclosed; and (2) requiring DSC to compensate Defendant for the time he spent making the disclosure. Defendant willfully refused to comply with the terms of the Temporary Injunction Order.

In this Second Motion now before the Court, DSC further demonstrated that DSC served interrogatory requests seeking for Defendant to fully and completely disclose the Solution. Defendant refused to provide any substantive

response to that Interrogatory, forcing DSC to file its First Motion to Compel and for Sanctions (the "First Motion"). After a hearing concerning DSC's First Motion, the Court granted that Motion and ordered (for the second time) that Defendant Brown fully and completely disclose the Solution to DSC. In connection with granting that First Motion, the Court entered orders (1) requiring strict confidentiality of the Solution once it had been disclosed; (2) allowing Defendant to apply to the Court for compensation in connection with the time spent making the disclosure; and (3) warning Defendant that any failure to fully and completely disclose the Solution might result in sanctions, including the striking of Defendant's pleadings and the entry of default judgment against Defendant. Again, Brown willfully refused to fully and completely disclose the Solution to DSC as required by the Court's Order. Now, two and one-half (2½) years later, there has been no disclosure of the Solution. At each stage of these proceedings, the Court has entertained new justifications why compliance has not been forthcoming. In good faith, the Court will again afford Defendant all benefit of the doubt and accommodate his latest explanation in hopes that Defendant will finally acquit himself of his failure to obey the directive of the Court. Such accommodation, however, comes with a price.

Based on the facts of this case, the Court concludes it has on two prior occasions ordered Defendant to provide to DSC a full and complete disclosure of the Solution. These two orders, one of which have been in place since June 30, 1997, provided Defendant with ample opportunity to fully and completely

disclose the Solution to DSC. Defendant's failure to fully and completely disclose the Solution in compliance with these orders is in willful violation of the Court's orders and constitutes bad faith and an abuse of the discovery process. Moreover, in connection with the Court's Order on DSC's First Motion, the Court sanctioned Defendant and advised Defendant that any further violation of the court's Order would result in additional sanctions, including the dismissal of his pleadings and the entry of a default judgement against him. Notwithstanding this order, Defendant failed and refused to fully and completely disclose the Solution. Defendant's conduct demonstrates a willful and continuing refusal to comply with the Court's orders and the discovery process in general.

Following oral argument on the Motion, the Court advised the parties that it intended to enter an order granting the Motion in part. The Court finds that the Defendant has failed to disclose the Solution. The Court engaged counsel in discussion and argument in an effort to give Defendant another opportunity to disclose the Solution. 's excuses and requiring Defendant to disclose the Solution in greater detail than he had previously disclosed the Solution. Accordingly, the Court solicited supplemental briefing and comments from the parties concerning the specific manner in which Defendant should be required to disclose the Solution.

On July 12, 1999, the parties submitted to the Court letter briefs outlining the manner in which Defendant should be required to disclose the Solution. The Court evaluated those letter briefs and thereafter heard further argument

concerning the manner in which Defendant would be required to further disclose the Solution. Following that second oral argument, the Court solicited supplemental briefing from the parties concerning the differences between the two manners for disclose proposed by the parties. On September 14, 1999, the parties submitted a second letter brief outlining the differences between the proposed manners for disclosure of the Solution.

Based on the foregoing arguments and filings with the Court, as well as the Court's general familiarity with the case, the Court is thoroughly familiar with the parties' positions concerning Defendant's required disclosure of the Solution. On October 14, 1999, the Court entered a Memorandum providing that Plaintiff had the option of selecting one of two methods by which Defendant would be required to disclose the Solution. Plaintiff advised the Court and Defendant's counsel that it had selected the second option for the disclosure required by Defendant. The Court's file shall reflect the relevant follow-up correspondence between the Court and parties and the Court's efforts to structure a final resolution to this issue.

Based on these facts, as well as consideration of the pleadings on file in this case, the arguments of counsel at the June 10, 1999 hearing, the follow-up discussion with counsel, and the Court's long-standing and detailed familiarity with the factual and procedural background of this case, the Court is of the opinion that the DSC's Second Motion should be GRANTED, and that the Court

must impose some sanctions, as well as structure another opportunity for Defendant to comply with the disclosure.

IT IS THEREFORE ORDERED, ADJUDGED and DECREED that Plaintiff DSC's Motion shall be and is hereby GRANTED as follows:

1. To the extent and to the degree necessary to accomplish the following, the Court hereby strikes, in part, Defendant's Original Answer, which was filed on or about May 25, 1997; and the Court hereby enters judgment in favor of Plaintiff DSC Communications Corporation and against Defendant Evan Brown, ordering that DSC owns a 20% interest in the Solution (as defined in the Court's June 30, 1997 Temporary Injunction Order).
2. Brown shall fully and completely describe the Solution and disclose it to DSC by 5:00 p.m. on Friday, April 28, 2000.
3. Brown's disclosure shall be made using (1) Zilog Z8000 as the target language to be converted, (2) using the UNIX/BSDI-4.01 development platform, and (3) using the K&R "C" language as the language to be created as an end product of the conversion.
4. DSC shall provide Brown with the reasonable equipment and peripherals needs (but not services) required to fully and completely describe the Solution in the manner set forth in paragraph 3 hereof, provided that after DSC provides Brown with equipment and peripherals worth \$40,000, Brown shall be responsible for providing any additional equipment that he requires. DSC shall set up the equipment and peripherals in an office or conference room at Plaintiff's building known as PB-6, located at 3400 West Plano Parkway. Brown shall not damage or modify the equipment or peripherals, nor shall he utilize the equipment in such a way as to

disrupt or interfere with the ordinary business operations or working hours of DSC.

5. Brown shall not be permitted any further discovery in this matter unless and until he has fully demonstrated his compliance with the disclosure, except upon order of the Court.

Signed on Wednesday, January 19, 2000.

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**Curt B. Henderson**  
Judge Presiding

## Eric Pearson

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**From:** Eric Pinker [epinker@lsmt.com]  
**Sent:** Thursday, June 22, 2000 2:14 PM  
**To:** Eric Pearson  
**Subject:** RE: Evan Brown

The equipment is now set up and ready to go. I suggest that Mr. Brown plan to begin on Monday morning at 9:00 am. I will send you a formal letter to that effect, but please let me know if that is acceptable.

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

**From:** Eric Pearson [mailto:epearson@saylid.com]  
**Sent:** Tuesday, June 20, 2000 9:48 AM  
**To:** Eric Pinker (E-mail)  
**Subject:** Evan Brown

Just wondering where are with having the equipment and software ready for Mr. Brown to begin his disclosure. He is eager to get started. Please let me know as soon as possible.

Also, let's talk about filing an agreed motion extending Mr. Brown's time for compliance with the court's previous disclosure order. If we cannot come to an agreement, then I will obviously need to set my motion for hearing.

Eric D. Pearson  
SAYLES, LIDJI & WERBNER

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CAUSE NO. 199-596-97

DSC COMMUNICATIONS  
CORPORATION,

Plaintiff,

v.

EVAN BROWN,

Defendant.

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IN THE DISTRICT COURT OF

COLLIN COUNTY, TEXAS

219TH JUDICIAL DISTRICT

**AFFIDAVIT OF EVAN BROWN**

STATE OF TEXAS       §  
                                  §  
COUNTY OF DALLAS   §

BEFORE ME, the undersigned authority, on this date personally appeared Evan Brown who, being by me first duly sworn, upon his oath deposed and stated as follows:

1. My name is Evan Brown. I am the Defendant in the above-styled and numbered case. I have personal knowledge of the facts recited in this affidavit, and they are all true and correct.

2. Pursuant to this Court's January 19, 2000 Order, I began disclosing my idea at the offices of DSC on Monday, June 26, 2000. Since that time, I have continued my disclosure at DSC every work day except July 3<sup>rd</sup> and 4<sup>th</sup>, on which I was excused by DSC's attorneys due to the holiday. I believe it will take at least another two to three months to complete the disclosure, and DSC has agreed to request that the Court extend the time for me to complete the disclosure to September 27, 2000.

3. Because DSC fired me and obtained an injunction which has rendered me unemployable, I have had to sell my home in Plano and move to a family farm near Cranfills Gap,

**Affidavit of Evan Brown: Page 1**



Texas, several hours from Dallas. In order to work on the disclosure at DSC's place of business in Plano, Texas, I must have a place to stay while I am in Dallas Monday through Friday. Although I have been able to stay with friends some nights, I cannot impose on them every day for the next two to three months. As such, some nights I have had to stay in a hotel near DSC's offices. The average cost of my hotel has been approximately \$ 75.00 per night. I have also incurred substantial expenses for food and for gas to drive between Cranfills Gap and Plano. From June 26, 2000 to July 10, 2000, my total expenses associated with disclosing my idea to DSC are approximately \$ 630.00.

4. Although I strongly desire to fully and completely disclose my idea as required by this Court's January 19, 2000 Order, I simply cannot afford to continue to incur the expenses necessary for me to stay in Plano for the next two to three months. As the Court knows, I am currently in bankruptcy. I having no regular monthly income. I have no real property of any value outside of my homestead and a 1989 Ford F-150 truck which is of little if any real value and constitutes my only means of transportation.. I have approximately \$200.00 in my checking account and approximately \$500.00 cash in hand.

5. Excluding the expenses incurred in disclosing my idea to DSC, my monthly living expenses are approximately \$250.00 for food, \$200.00 for gasoline, \$100.00 for my electric bill, \$100.00 for my phone bill and \$91.00 to the trustee of my bankruptcy. I cannot qualify for a loan of any amount.

6. If the Court's January 19, 2000 Order is not modified so as to provide some for of compensation to reimbursement for the expenses referenced above, I will likely be unable to continue to disclose my idea to DSC at its place of business in Plano. I understand this will likely subject me

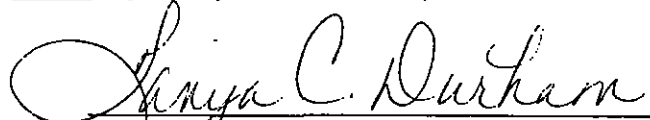
to a default judgment and deny me the right to a trial by jury. Given my financial inability to continue the disclosure absent some reimbursement or compensation, the failure to modify the January 19, 2000 Order as requested herein will restrict my access to the courts by significantly impairing my ability to continue this litigation.

FURTHER AFFIANT SAITH NOT.

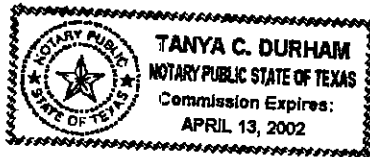


EVAN BROWN

Sworn and subscribed before me on this 10<sup>th</sup> day of July, 2000, to certify which witness my hand and seal of office.



Notary Public in and for the State of Texas



SAYLES & LIDJI

January 5, 2000

Eric D. Pearson  
Direct Line 939.8708  
epearson@saylid.com

**Via Federal Express**

The Honorable Curt Henderson  
Judge, 219<sup>th</sup> District Court  
Collin County Courthouse  
210 S. McDonald Street  
McKinney, TX 75069

Re: Cause No. 199-596-97; *DSC Communications Corporation v. Evan Brown*, pending in the  
199th Judicial District Court of Collin County

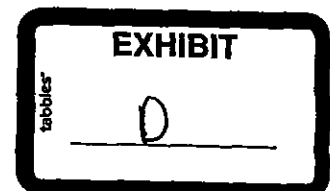
Dear Judge Henderson:

As Eric Pinker has informed the Court, our respective clients have been unable to agree on the terms of the proposed Order Mr. Pinker sent to the Court on November 17, 1999. My client has several concerns regarding the proposed Order. First, the Order would require Mr. Brown, who lives in Fairy, Texas, approximately 160 miles from Plano, to drive over 330 miles per day in order to work on the disclosure at DSC's offices. In the alternative, he would have to incur food and lodging expenses for the several weeks/months on which he would be working on the disclosure. Obviously, either of these scenarios is unacceptable. In addition to the logistical concerns, DSC's proposal would create the awkward situation of having adversarial litigants working in great proximity to each other without their attorney's supervision.

As an alternative, Mr. Brown proposes that he be allowed to work on the disclosure using DSC's equipment at his home. If this is unacceptable, we would request that Mr. Brown be allowed to work on the disclosure, using DSC's equipment, at the offices of Sayles & Lidji. In this latter scenario, we would also ask that DSC be required to compensate Mr. Brown on a weekly basis for the food, lodging and other expenses incurred during his stay in the Dallas area as well as for the gas and mileage expenses incurred in driving to and from his home.

The second concern relates to the apparent length of time DSC assumes it will take Mr. Brown to complete the disclosure. Mr. Brown has informed me that it will take 4 to 5 weeks to simply read the Z8000 computer documentation and develop the sample Z8000 machine executable binary code. It will take another 5 to 6 weeks to fully and completely document his code conversion process. At a minimum, Mr. Brown should be given 90 days to complete the disclosure. DSC's suggestion that Mr. Brown provide periodic "updates" on his progress is unnecessary and unworkable. In truth, it would actually slow the disclosure process down while Mr. Brown formatted his periodic disclosures, discussed them with counsel and disseminated them to DSC.

66350.1



Honorable Curt Henderson  
January 5, 2000  
Page 2

Finally, we are also concerned that DSC's proposed Order seeks the imposition of attorneys' fees against Mr. Brown. As stated in several pleadings we have filed, Mr. Brown is indigent at this point due to DSC's conduct. We have filed an affidavit of inability attesting to this fact. Given his financial situation, Mr. Brown cannot possibly pay the fees DSC suggests. An Order requiring such sanctions to be paid would be an Order with which it is impossible for Mr. Brown to comply, thus guaranteeing that he would be forced to violate the Order. In the event the Court feels that some monetary sanctions are warranted, such sanctions could be in the form of expenses to be assessed at the conclusion of this case.

We welcome the opportunity to discuss these matters with the Court at its convenience. Thank you for your attention to this matter.

Sincerely,



Eric D. Pearson

EDP/p

cc: Eric Pinker

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1.  Addressee's Address
- 2.  Restricted Delivery

Consult postmaster for fee.

Is your RETURN ADDRESS completed on the reverse side?

3. Article Addressed to:

Eric W. Pinter  
Lynn Stodghill Melshimer  
750 N. St. Paul # 1400  
Dallas TX 75201

4a. Article Number

Z 296 938 616

4b. Service Type

- Registered  Certified
- Express Mail  Insured
- Return Receipt for Merchandise  COD

7. Date of Delivery

JAN 6 2000

5. Received By: (Print Name)

8. Addressee's Address (Only if requested and fee is paid)

6. Signature (Addressee or Agent)

*[Signature]*

PS Form 3811, December 1994

102595-97-B-0179

Domestic Return Receipt

Thank you for using Return Receipt Service.

Z 296 938 616

US Postal Service -

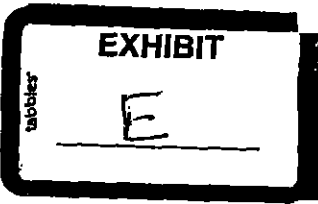
**Receipt for Certified Mail**

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to <i>Eric Pinter</i>	
Street & Number	
Post Office, State, & ZIP Code	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

PS Form 3800, April 1995



Cause No. 199-00596-97

DSC COMMUNICATIONS  
CORPORATION

IN THE DISTRICT COURT OF

v.

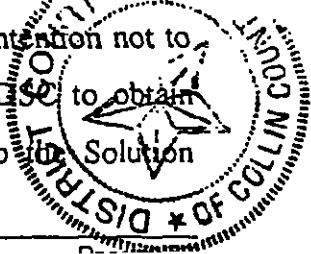
COLLIN COUNTY, TEXAS

EVAN BROWN

199<sup>TH</sup> JUDICIAL DISTRICT

TEMPORARY INJUNCTION ORDER

On June 30, 1997, Plaintiff DSC Communications Corporation's ("DSC") Application for Temporary Injunction came on regularly for hearing, due notice having been given to Defendant Evan Brown ("Brown"). The parties appeared in person and by their attorneys. After considering the evidence received, the pleadings before the Court, and the argument of counsel, the Court finds and concludes that Plaintiff DSC will probably prevail on the merits at the trial of this cause, and further that Plaintiff DSC will probably prevail at trial in establishing each and all of the following: that Defendant Brown entered into an Employee Patent, Copyright and Proprietary Information Agreement with DSC (the "Employment Agreement"); that the Employment Agreement is a valid and enforceable contract between DSC and Brown; that Brown 1) developed a method of converting machine executable binary code into a high level source code using logic and data abstractions, 2) developed a method of taking existing executable programs and "reverse engineering" the intelligence from programs and "re-code" the intelligence into portable high level language, and 3) developed a method of converting executable Z8000 machine code into C language source (all collectively describing what shall hereinafter be referred to as the "Solution") during his employment by DSC; that the Solution is along the lines of DSC's business, work, and investigations, and that the Solution further resulted from or was suggested by Brown's work for DSC; that other companies are currently pursuing the Solution; that Brown has stated an intention not to disclose the Solution to DSC and has stated an intention not to assist DSC to obtain patents for the Solution; that Brown has stated an intention to develop the Solution



independent of DSC, including to develop it in foreign countries outside the protection of this and other courts in the United States; that if Brown carries out his intentions it will alter the status quo and make ineffectual a judgment in favor of DSC in that DSC will suffer immediate harm and will be irreparably injured because it will not be able to protect its rights to the Solution; that unless Brown is enjoined from carrying out his intentions, DSC will be without an adequate remedy at law; and that any delay to DSC's ability to exploit the Solution or to take action to protect its rights in the Solution, such as patent applications on the Solution, will irreparably harm DSC.

IT IS THEREFORE ORDERED, ADJUDGED and DECREED that Defendant Evan Brown, his employees, agents, assignees, or other persons and/or entities acting in concert with him who receive actual or constructive notice of this Order, be and hereby is, commanded forthwith to desist and refrain from the following until final judgment in this cause is entered by the Court:

- a. Disclosing, marketing, selling, assigning, or transferring the Solution to any person or entity other than DSC;
- b. Negotiating the disclosure, sale assignment, or transfer of the Solution to any person or entity other than DSC;
- c. Disclosing or negotiating the disclosure of any information or details concerning the Solution to anyone other than DSC;
- d. Further developing, refining, or implementing the Solution, except as required by the mandatory injunction below; and
- e. Destroying any material or records (including computer files or disks) that relate to or evidence the Solution or his effort to market the Solution.

IT IS THEREFORE ORDERED, ADJUDGED and DECREED that Defendant Evan Brown, his employees, agents, assignees, or other persons and/or entities acting in concert with him who receive actual or constructive notice of this Order, be and hereby is, commanded forthwith to:

- a. Preserve the Solution; and



b. Disclose the Solution, in its entirety, to DSC in the manner set forth in the following paragraphs of this Order.

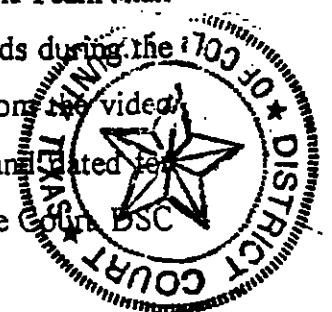
IT IS ORDERED, ADJUDGED, and DECREED that the following persons are designated by the Court to be the DSC Development Team (the "DSC Development Team"), to-wit: Tina Young, Court Reporter, Billy Gonzales, Videographer, Rick Billings, Mike McCarty, Jianbai Wang, Dan McMurray, Wayne Jones, Cheryl Sanders, and Steve Levine.

The members of the DSC Development Team shall be bound by the Confidentiality provisions set forth in this Order.

Defendant Evan Brown is hereby ORDERED, COMMANDED and DIRECTED to:

1. disclose the Solution to the DSC Development Team instantler,
2. appear in person at the offices of DSC, 1000 Coit Road, Plano, Texas, each business day at 9:00 a.m. beginning July 1, 1997, and remain in attendance at DSC until 5:00 p.m. each day, and to continue to appear each business day thereafter from 9:00 a.m. to 5:00 p.m. until the disclosure to the DSC Development Team is complete, and
3. make a full and complete disclosure of each aspect of the Solution to the DSC Development Team, both orally and in writing.

DSC shall provide a suitable room for Brown and the DSC Development Team. DSC shall also provide telephone access to Brown's counsel from the room set aside for the disclosure. The DSC Development Team shall maintain accurate records of the Solution as Brown dictates it to them, and a log tracking such records, which records and log shall be made available to the Court upon request. The DSC Development Team shall be permitted to videotape Defendant Evan Brown's efforts, actions and words during the disclosure of the Solution. Any video tape made shall, upon its removal from the video recording device, be placed into the custody of Billy Gonzales, marked and identified for identification, and transported for safekeeping to a location designated by the Court.

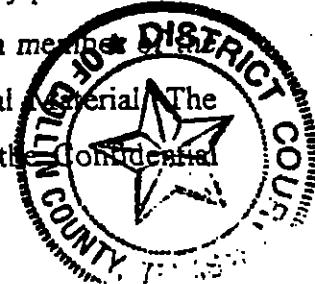


shall be permitted to transcribe portions of the disclosure as it deems appropriate with such transcriptions to be made from the videotape or live. The transcription will be subject to the confidentiality provisions of this order, and once completed shall be transported for safekeeping to a location designated by the Court.

IT IS FURTHER ORDERED, ADJUDGED, and DECREED that DSC shall compensate Evan Brown for his time in making a good faith, complete and timely disclosure at the rate of \$45.00 an hour. DSC shall, on or before July 1, 1997, make an initial deposit of \$1,000 into the registry of the Court for this purpose, and Brown, upon completion of the disclosure, may apply to the Court, and upon notice and hearing to DSC, demonstrate his good faith, complete and timely compliance with the Order, and his entitlement to his hourly fee for the time spent during the disclosure.

IT IS ORDERED, ADJUDGED, and DECREED that the DSC Development Team shall evaluate the Solution and have the option as it deems necessary to take any appropriate efforts to protect the Solution, including the filing of patent applications in the United States and in foreign countries, if appropriate. The DSC Development Team shall make no use of the Solution other than as set forth in the preceding sentence of this Order. The DSC Development Team shall maintain accurate records of its technical work and documentation concerning the Solution, including a log tracking such records and documents, which records, documents, and logs shall be made available to the Court upon request.

IT IS ORDERED, ADJUDGED, and DECREED that except as otherwise provided by the Court, the disclosure of the Solution by Brown, and any information or documents generated by the DSC Development Team in connection with evaluating or protecting the Solution (collectively referred to as the "Confidential Material"), shall be treated in the manner set forth in this paragraph of this Order. No member of the DSC Development Team shall discuss or show any Confidential Material to any person who is not a member of the DSC Development Team. No person who is not a member of the DSC Development Team shall have access to any of the Confidential Material. The members of the DSC Development Team shall only make copies of the Confidential



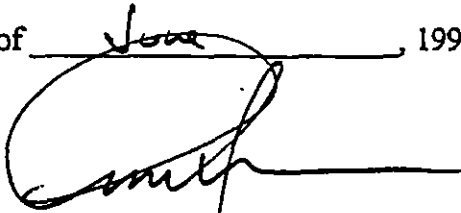
Material as are necessary to enable those team members to evaluate and protect the Solution as permitted by this Order, and all such notes and copies shall be preserved in a separate file maintained as confidential. The provisions of this paragraph do not preclude DSC from filing patent applications as otherwise provided in this Order, nor does it preclude the making of a video tape to be preserved by a Collin County Sheriff's Deputy or Constable as provide heretofore in this Order.

IT IS ORDERED, ADJUDGED, and DECREED that trial on the merits of this cause is set for the 3rd day of November, 1997, at 9:00 a.m.

The Clerk shall forthwith on the filing by DSC of the bond hereinafter required and on approving the same according to the law, issue a temporary injunction in conformity with the law and the terms of this order.

This Order shall not be effective unless and until DSC executes and files with the Clerk a surety bond, in conformity with the law, in the amount of five hundred thousand dollars (\$500,000) or a cash bond in the sum of fifty thousand dollars (\$50,000.00).

Signed this 30 of June, 1997.

  
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Judge Curt B. Henderson, 219<sup>th</sup> Judicial District Court  
sitting by assignment for the 199<sup>th</sup> Judicial District Court

