VENTURA SOFTWARE, INC./XEROX DESKTOP SOFTWARE, INC.

Acquisition of Software
February 28, 1990

FINAL DOCUMENTS

1. Software Acquisition Agreement

2. Non-Competition Agreements

   a. Ventura Software, Inc.
   b. John Meyer
   c. Lee Lorenzen
   d. Don Heiskell
   e. John Grant
   f. Loren Lorenzen
   g. Kevin Holmes
   h. Jay Lorenzen
   i. Gary Lorenzen
   j. Richard Meyer

3. Guaranty of Xerox Corporation

4. Bill of Sale, Assignment of Assets and Assumption of Liabilities

5. Assignments of Trademarks

   a. U.S.
   b. International

6. Assignment of Copyrights

7. Termination Agreement (of Xerox License Agreement)

8. Letter to VSI from XDS (regarding Edco payment)

9. Letter to Larry Gerhard from John Meyer (regarding implementation of Windows and Presentation Manager Versions)

10. Agency Agreement

11. Agreement (among Meyer, Heiskell and Lorenzen)

12. Security Documents

    a. Security Agreement
    b. UCC-1 Financing Statement
    c. Security Agreement regarding Trademarks
    d. Security Agreement regarding Copyrights

13. DRI Documents

    a. Software License Agreement (Xerox/DRI)
    b. Termination Agreement and Release (VSI/DRI)

14. Termination Agreement (Edco Services Incorporated)

15. Letter from Carolyn E. Ramm to Arvel Bowyer (consent to assignment of four Bitstream license agreements)

16. Legal Opinion (Farella, Braun & Martel)

17. VSI Corporate Documents

    a. Certificate of Status
    b. Directors' Resolution with Certificate
    c. Shareholder Consent
    d. Certificate of Amendment of Articles of Incorporation
    e. Certificates of Incumbency

18. Xerox Corporate Documents

    a. Xerox Corporation Certificate (of resolution and incumbency)

    b. Xerox Desktop Software Certificate (of resolution)

19. Notices of Transfer (post-closing)

SOFTWARE ACQUISITION AGREEMENT

THIS SOFTWARE ACQUISITION AGREEMENT, entered into as of the28th day of February, 1990, by and between **VENTURA SOFTWARE, INC.**, a corporation organized and existing under the laws of the State of California (hereinafter referred to as the "Seller"), **JOHN MEYER, DON HEISKELL** and **LEE LORENZEN** (hereinafter referred to as the "Principals") and **XEROX DESKTOP SOFTWARE,INC.** a corporation organized and existing under the laws of the State of Delaware (hereinafter referred to as the "Buyer"):

WITNESSETH:

WHEREAS:-

A. The Seller owns or has licensed certain software currently being marketed and distributed by Buyer and known as Ventura Publisher, version 1.1, version 2.0, Professional Extension and Network Server (such software in the form currently being shipped referred to as the "Current Software");

B. The Seller intends to produce and has demonstrated to Buyer certain additional software consisting of Ventura Publisher , Version 3.0 for the currently shipped version of GEM, Windows 3.0 Version, of Ventura Publisher and Presentation Manager, Version 1.2 , version of Ventura Publisher ("New Software");

C. Buyer's parent (Xerox Corporation) has had the exclusive worldwide marketing rights and distribution rights to the Current Software (or earlier versions) since the inception of Seller's business which rights are currently set forth in the Ventura Software Development and License Agreement, dated as of 9/23/87 (the " License");

D. The Buyer 's parent wishes to terminate the License and Buyer wishes to acquire all rights in, title to and ownership of the Current Software and New Software;

E. The Seller wishes to terminate the License and sell to the Buyer all such rights in, title to and ownership of the Current Software and the New Software;

NOW, THEREFORE, in consideration of the mutual promises and covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Buyer and the Seller have agreed as follows:

ARTICLE I
PURCHASE AND SALE OF THE SOFTWARE

1.1 **Sale of the Software; Assumption of Liabilities.** Upon the terms, and subject to the conditions, set forth in this Agreement, the Seller hereby agrees to sell, convey, transfer, assign and deliver to the Buyer, and the Buyer agrees to purchase from the Seller, at the Closing (as that term is hereinafter defined), all right, title and interest of the Seller in and to the following software and related items existing on the Closing Date (as that term is hereinafter defined) or thereafter produced as hereinafter described (collectively, the "Software") :

(a) All of the Seller's interest in software, trade secrets, patents, knowhow, patent applications, inventions, algorithms, diagnostic routines, processes, logos, trademarks or service marks, registered or unregistered and applications therefor, copyrights and copyright applications;

(b) all business files and records relating to or used in connection with the Software (provided that Seller may retain copies for tax and accounting purposes) and as of the date of the transfer of the last of the New Software, certain computer equipment and other office equipment set forth in Appendix A (provided that all such equipment shall be delivered in their condition then existing, that Buyer agrees to accept the same "as is with all faults" and that Seller shall have no responsibility for maintenance or repair of such equipment until delivery) ;

(c) all right, title and interest of the Seller in and to the contracts and agreements listed in Schedule 4.2 of this Agreement, except as noted therein, (collectively, the "Contracts");

(d) all right, title and interest of the Seller in the name "Ventura", in any name incorporating the word "Ventura" including "Ventura Publisher", and in any other names, whether of product or otherwise, used in connection with the Seller's business; and

(e) in connection with such sale Buyer agrees to assume all liabilities arising out of the assets transferred, except as otherwise provided herein.

ARTICLE II
CLOSING DOCUMENTS AND DELIVERABLES

2.1 **Documents to be Delivered by the Seller and the Buyer.** The following documents shall be delivered at the Closing:

(a) By the Seller, a copy, certified as of the Closing Date by the Secretary or an Assistant Secretary of the Seller, of resolutions adopted by the Board of Directors of the Seller approving and authorizing the sale of the Software and the execution of all documents pursuant to this Agreement;

(b) Incumbency certificates:

(i) By the Seller, an Incumbency Certificate, dated the Closing Date, executed by the Secretary or an Assistant Secretary of the Seller certifying the name, title and signature of the officers of the Seller authorized to execute this Agreement, and the instruments and documents executed and delivered by the Seller at the Closing;

(ii) By the Buyer, an Incumbency Certificate, dated the Closing Date, executed by the Secretary or an Assistant Secretary of the Buyer, certifying the name, title and signature of the officers of the Buyer authorized to execute this Agreement and the instruments and documents executed and delivered by the Buyer at the Closing;

(c) An opinion of counsel on behalf of the Seller in the terms set out in Schedule 2.1. (c)

2.2 **Additional Documents to be Delivered by the Seller.** The following documents shall be delivered by the Seller to the Buyer at the Closing:

(a) A Bill of Sale , Assignment and Assumption Agreement in the form of Exhibit A, together with such other bills of sale, assignments and other instruments of transfer in form satisfactory to the Buyer as shall be necessary or appropriate to vest and confirm in the Buyer title to the Software and the items set forth in Appendix A ;

(b) A copy of a duly executed amendment to Seller's Articles of Incorporation changing Seller's name to a name not including the word "Ventura" which amendment shall be filed with the California Secretary of State no later than one business day following the Closing Date, together with such other appropriate documentation as may be necessary to reflect such change of name. In addition, the Seller agrees to execute and deliver to the Buyer from time to time any consents which may be necessary in connection with the Buyer's application to qualify to do business or to use the fictitious names "Ventura" or "A Ventura Company" or any variation thereof in any state.

2.3 **Computer Software to be Delivered by the Seller**

(a) All computer programs constituting the Current Software and the New Software will be assigned to the Buyer at the Closing, and the Seller shall deliver to the Buyer at or before the Closing, with respect to each such computer program, and to the extent that the Seller possesses the same, the then current versions of:

(i) source code, on magnetic tape or discs (collectively "magnetic media") or in documentary form,

(ii) object code, on magnetic media, and

(iii) any currently existing related manuals, logic diagrams, flow charts and other documentation (collectively, "documentation") relating thereto.

Buyer hereby acknowledges that it has received each of the foregoing items in accordance with the procedures agreed upon in Appendix B.

2.4 **Additional Documents To Be Delivered By Buyer**. The Buyer shall deliver to the Seller at the closing (a) a duly executed security agreement in form reasonably

satisfactory to Seller, together with a UCC-1 financing statement, assignments of copyright and trademark and such other documents in such forms as may be necessary or appropriate to perfect a security interest in the Software by filing with all appropriate governmental authorities; (b) a guaranty in form reasonably satisfactory to Seller, duly executed by Xerox Corporation, pursuant to which Xerox Corporation guarantees the payment of all obligations of the Buyer under this Agreement and the documents called for herein; and (c) a termination agreement, duly executed by Xerox Corporation, pursuant to which the License will be terminated as of the closing.

ARTICLE III
CONSIDERATION; CLOSING

3.1 Consideration Subject to the terms and conditions of this Agreement, and in consideration of the sale and transfer of all of the Software to the Buyer and of various future software development and related services and non-compete covenants specified herein, the aggregate consideration payable by the Buyer to the Seller, the Principals and certain other shareholders for their Non-Competition Agreements as described in Section 8.1 (the "Consideration") shall be $18.5 Million.

3.2. Allocation

The total Consideration payable hereunder shall be allocated and paid as follows:

(a) Seven million dollars ($7,000,000) has been allocated to the Noncompetition Agreement described in Section 8.1 in full consideration therefor, and will be payable to the individuals entering into such agreements in the respective amounts set forth in Appendix D;

(b) Four million six hundred thousand dollars ($4,600,000) shall be allocated to the purchase price of the Current Software and paid to the Seller;

(c) Three million dollars ($3,000,000) shall be allocated to the New Software and paid to the Seller;

(d) One million and four hundred thousand dollars ($1,400,000) shall be allocated to professional Services to be provided by the four individuals listed in Section 3.4 and shall be paid to those individuals in equal shares;

(e) Oneand one-half million dollars ($1,500,000) shall be allocated to training to be provided by the four individuals listed in Section 3.4 and shall be paid to those individuals in equal shares; and

(f) One million dollars ($1,000,000) shall be allocated to the tradename "Ventura Publisher" and shall be paid to the Seller.

Each payment called for in Section 3.3 below shall be allocated to the items referred to in Paragraphs (a), (d) and (e) above (in the proportion that each such category bears to the total of all three categories) until those items have been paid for in full, and thereafter to the items listed in Paragraphs (b), (c) and (f) (in the proportion that each category bears to the total of all three categories). The first allocation method shall be used until a total of $9.9 million has been allocated. Thereafter, payments will be allocated 53.49% to the Current Software, 34.88% to the New Software and 11.63% to the tradename. All payments to be made to the individuals signing a Non-Competition Agreement and to the individuals listed in Section 3.4 shall be made by Buyer to Seller (or its successor) in its capacity as agent for such persons and pursuant to an agreement to be entered among such parties, and Buyer shall have no obligation to any such individual on account of any such payment made to Seller (or such successor) pursuant to this paragraph.

The obligation of Buyer to make the payments called for in this Section at the times described in paragraph 3.3 shall not be subject to any defense or right of offset on account of non-performance by any person of any obligation set forth in this Article 3, or on account of any breach or non-performance by any person pursuant to the Non-Competition Agreements described in Section 8.1, except as and only to the extent provided in Section 3.5.

3.3 **Manner of Payment.** Buyer agrees to pay the Consideration by wire transfer to an account designated by Seller, allocated in accordance with Section 3.2 above, in accordance with the following schedule:

(a) $1.25 million prior to January 10,1990, receipt of which is hereby acknowledged .

(b) (i) $1.2 million prior to April 10,1990;

(ii)$4.5 Million at delivery of the Windows 3.0 version of Ventura Publisher software and "acceptance" by Buyer have occurred. "Acceptance" is defined as turnover by Buyer of a master to Buyer's designated publisher for reproduction with the deficiencies set forth in Appendix C corrected to the satisfaction of Buyer. Notwithstanding any failure of delivery or acceptance, Buyer shall in any event pay said $ 4.5 Million, no later than June 1, 1990.

(iii) $2.3 Million at delivery of the Presentation Manager,(version 1.2) version of Ventura Publisher software and acceptance (as defined above) by Buyer shall have occurred with the deficiencies set forth in Appendix C corrected to the satisfaction of Buyer. Notwithstanding any failure of delivery or acceptance, Buyer shall in any event, pay said $2.3 Million, no later than June 1, 1990.

(c). Seller recognizes that prompt delivery of the Windows 3.0 version is more critical to Buyer than that of the Presentation Manager(version 1.2) version and Seller will concentrate its efforts on delivery of all software to Buyer promptly in accordance with the terms herein and in the following order: (1) Release 3.0 ,GEM Version (2) Windows, 3.0 version (3) Presentation Manager(Version 1.2) version. Buyer will test all three versions in parallel. After the Windows 3.0 Version has been accepted, Buyer will not require Seller to fix bugs in the Presentation Manager Version that were previously accepted in the Windows 3.0 Version. However, Seller shall be required to fix those additional bugs that are unique to the Presentation Manager Version.

(d). The following two payments will be made as follows:

(1) $4.60 Million, six months after delivery and acceptance of Windows 3.0 version of Ventura Publisher. In any event, notwithstanding any failure of delivery or acceptance, Buyer shall pay $4.65 Million , no later than December 1, 1990.

(2) $4.65 Million, six months after delivery and acceptance of Presentation Manager(version 1.2) version of Ventura Publisher. In any event, notwithstanding any failure of delivery or acceptance, Buyer shall will pay $4.65 Million, no later than December 1, 1990.

(e). In addition, Buyer shall pay quarterly in advance, all reasonable expenses associated with the business operations at the Seller's location at Salinas, California, including rent, utilities and secretarial help to and including December 1, 1990, but not to exceed $90,000 in total. In addition Buyer shall reimburse Seller for

all hardware and software tools and licenses reasonably necessary to perform any service required of Seller or the Principals pursuant to this Agreement. Seller shall obtain advance consent , prior to any purchase for more than One thousand dollars or in the aggregate for any purchase that would cause such aggregate to exceed Five Thousand Dollars; which consent may not be delayed or withheld unless the item is not reasonably necessary to perform as provided above.

3.4 Obligations of Principals.

(a). During the six months after acceptance by Buyer of the New Software (provided that the six month period shall end no later than December 1,1990), the following services when requested by Buyer will be rendered for no fees nor expenses, except reasonable travel expenses and fees provided herein:

(1) Messrs. Heiskell, Lorenzen and Grant will be available during normal business hours to train up to five Buyer personnel, which training shall include assisting and directing said Buyer personnel in making changes to the Software, at the Seller's facilities in Salinas , California.

(2) Messrs. Heiskell, Lorenzen and Grant will be available at the Seller's Salinas facility during normal business hours, to provide documentation of the software changes. Title to such documentation shall be transferred to Buyer.

(3) Mr. John Meyer will be available during normal business hours, to provide assistance to Buyer for market development of Xerox software products.

Seller is not obligated to provide training and/or documentation services until the New Software is accepted.

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(b). In the event that the Windows 3.0 version of Ventura Publisher is accepted by Buyer prior to Microsoft shipping Windows 3.0, and Microsoft institutes changes to Microsoft Windows 3.0 which require changes in the Windows 3.0 version of Ventura Publisher, then Messrs. Heiskell, Lorenzen, and Grant, will use all reasonable efforts to undertake to make such changes as are reasonably necessary to the Windows 3.0 Version of Ventura Publisher, up to

and including June 1,1990 for no fees nor expenses, except reasonable travel expenses and fees provided herein.

(c) In the event that either the Windows 3.0 version of Ventura Publisher is not delivered and accepted prior to June 1, 1990, or the Presentation Manager (version 1.2) is not delivered and accepted prior to August 1,1990, then Messrs. Heiskell, Grant, and Lorenzen shall be available during normal working hours to work for no fees nor expenses, except reasonable travel expenses and fees provided herein, at location(s), reasonably designated by Buyer, which locations shall include San Diego, California, under Buyer's direction until the software is accepted or for a period of six calendar months (but not later than December 1,1990) whichever comes first. This obligation shall not be transferable by Buyer. If the Windows 3.0 Version and Presentation Manager (Version 1.2) are not delivered and accepted prior to June 1, 1990, then weekly bug arbitration meetings shall be held between Buyer and Seller with Larry Gerhard presiding. If Buyer authorizes the work to be performed in Salinas, California, then the bug arbitration meetings will be held bi-weekly.

(d) During the period referred to in paragraph 3.4(c), Messrs. Heiskell, Grant and Lorenzen shall work to implement an "undo/redo" feature, as specified in Appendix C, in the Presentation Manager (version 1.2) and Windows 3.0 version of Ventura Publisher to the extent that feature is not incorporated in versions delivered prior to June 1, 1990 (if any). In the event that modified versions including an "undo/redo" feature having that functionality specified in Appendix C are delivered to Buyer on or before December 1, 1990, then the schedule of maximum liability set forth in Section 4.16 (c) shall apply and the schedule set forth in Section 4.16 (b) shall have no further force or effect. Within fifteen days after delivery of the modified version called for in the foregoing sentence, Buyer shall confirm to Seller that the "undo/redo" feature has been delivered as required, by letter in the form attached to Appendix C or specifying any respects in which the required functionality has not been met (in which event. Messrs. Heiskell, Grant and Lorenzen shall have an additional thirty days to correct the specified deficiencies).

3.5 Failure Of Principals To Perform In the event any of Messrs. Meyer, Heiskell, Grant, and Lorenzen willfully fail to perform the obligations under paragraph 3.4 of this agreement, then Buyer shall be entitled to deduct $1 Million from any payment due for failure by each such individual, for a total of not more than $4 Million, provided. that (i) no such damages shall be assessed on account of any willful failure

to perform unless Buyer notifies each of the above-listed individuals of such failure within ten days after it receives knowledge of such occurrence; (ii) no damages shall be assessed if the non-performing individual resumes performance within fifteen days after the notice called for in clause (i); and (iii) no damages shall be assessed for non-performance under Section 3.4 (c) in the event that the Presentation Manager (version 1.2) version of Ventura Publisher and the Windows 3.0 version of Ventura Publisher are delivered in acceptable form on or before December 1, 1990. It is understood that the remedy provided in this paragraph is intended to fully compensate Buyer for any non-performance by the above listed individuals; accordingly, the deductions called for above shall be the sole remedy available to Buyer under this Agreement at law or in equity for any such non performance and Buyer hereby irrevocably waives any and all other rights and remedies that would or could have been available to it but for this paragraph.

3.6 Tax Obligations. The Buyer shall be responsible for, and shall pay or reimburse within thirty days of demand, all applicable transfer, excise, sales, documentary, use or any other similar taxes payable in any jurisdiction, other than income tax liabilities, in connection with or arising from the sale and transfer of any of the Software to the Buyer hereunder. The Buyer will also pay any California corporate income taxes ,if any, which are reasonably payable by Seller arising out of the transactions described herein.

3.7 Closing. The closing of the purchase and sale of the Software hereunder (the "Closing") shall take place on February 28,1990, at nine o'clock in the morning at the offices of the Seller's attorney in San Francisco, or at such other date, time and place as the Buyer and the Seller shall mutually agree. The date on which the Closing shall take place in accordance with the provisions hereof is referred to herein as the "Closing Date".

3.8 Security Buyer's obligations under this Agreement will be secured by a security interest in the Software, pursuant to a Security Agreement, UCC-1 Financing Statement(s) and Copyright Assignment(s) in form reasonably acceptable to Seller.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF THE SELLER AND THE PRINCIPALS

The Seller and the Principals hereby jointly and severally make the following representations and warranties, each of which is complete and correct on and as of the date hereof:

4.1 Organization, Authority Qualification. The Seller is a corporation duly organized, validly existing and in good standing under the laws of the State of California, is eligible for and has filed an "S" election in conformity with Section 1361 of the Internal Revenue Code and has full corporate power and authority (i) to own or lease its properties relating to or used in the Seller's business, (ii) to operate the said business and (iii) to enter into and perform its obligations under this Agreement.

4.2 Contracts. Except as listed in Schedule 4.2 hereto, and except for agreements relating to services to be provided by the Seller and/or the Principals or on their behalf after the Closing Date to the best knowledge of the Seller and the Principals the Seller is not a party to, or bound by, in connection with its conduct of the Seller's business:

(a) Any employment or consulting contract which is not by its terms terminable at will without penalty to the Seller;

(b) Any contract with any labor union;

(c) Any contract not made in the ordinary course for the sale, lease, licensing or use of the Seller's products or services;

(d) Any agreement, promissory note, security agreement, financing statement or other instrument or document evidencing indebtedness for money borrowed or a security interest in the Software;

(e) Any contract, whether written or oral, with any entity controlled by the Seller;

(f) Any offer or commitment on the part of the Seller to enter into any contract of the nature described in paragraphs (a) through (e), above.

4.3 Litigation and Claims. Except as set forth in Schedule 4.3 hereto, no litigation, arbitral or administrative proceeding, claim, action or governmental investigation (collectively, "Litigation") is pending or, to the knowledge of the Seller, threatened against the Seller or the Current Software . Except as set forth in Schedule 4.3, there is no judgment, order, injunction, decree or award (whether rendered by a court, administrative agency or arbitrator) to which the Seller is a party affecting any of the Software or the Seller's business which is unsatisfied or which requires, or will require, continuing compliance therewith by the Buyer .

4.4 Absence of Changes or Events. To the best knowledge of the Seller and the Principals, since November 30,1989 the Seller has carried on the Seller's business in the ordinary course and has not, except as disclosed in Schedule 4.4, since November 30,1989 in connection with its conduct of the said business:

(a) incurred any obligation or liability (absolute, accrued, contingent or otherwise) material to the business, other than in the ordinary course of business;

(b) mortgaged, pledged or subjected to lien, charge or other encumbrance, or granted to third parties any rights to, any of the Software other than in the ordinary course of business;

(c) sold or transferred any of the Software, or canceled any debts or claims, or knowingly waived any rights, of a material nature;

(d) suffered any damage, destruction or loss, whether or not covered by insurance, materially and adversely affecting the properties or business of the Seller.

The Seller and the Principals to their knowledge have not purposefully included in the Software any code or design that has or may damage the Software or make it unmarketable.

4.5 Compliance with Other Instruments and Laws. To the best knowledge of the Seller and the Principals, the Seller is not in violation of any provision of its Restated Articles of Incorporation or By-Laws or, except where the violation would not have a material adverse effect upon the Software or of any agreement, mortgage, indenture, governmental license, permit, lease or other instrument to which the Seller is a party, any judgment, decree or order outstanding against the Seller or any statute or governmental regulation applicable to the Seller.

4.6 Execution of the Agreement. The execution and delivery of this Agreement by the Seller and the performance by the Seller of its obligations hereunder have been duly and validly authorized by all necessary corporate action of the Seller. Neither the execution of this Agreement, the consummation of the transactions contemplated hereby nor the compliance with or fulfillment of the terms and conditions hereof will:

(a) violate or conflict with any provision of the Restated Articles of Incorporation or the By-Laws of the Seller,

(b) to the knowledge of the Seller, violate or conflict with any law, regulation, judgment, order, writ, injunction or decree of any court or governmental body of any jurisdiction as the same relates to the Software or the Seller's business.

To the best knowledge of Seller and the Principals, the Seller is not a party to or bound by any agreement or any judgment, order, writ, injunction or decree of any court or governmental body that prevents the making of, or the consummation of the transactions contemplated by, this Agreement.

4.7 Ability to Sell the Software. To the best knowledge of the Seller and the Principals, there is no agreement, judgment, order, writ, injunction or decree issued against the Seller by any court or governmental body that could prevent in any material manner the use by the Buyer of the Software after the Closing Date.

4.8 Patents, Trademarks, Service Marks, and Copyrights

(a) Schedule 4.8 sets forth a complete list of all material Patents, patent applications, trademarks and service marks and all applications and registrations therefor, trade names (including,"Ventura Publisher", registered copyrights and franchises for the foregoing (collectively, the "Rights") that relate to or are used in connection with the Seller's business, all of which the Seller owns or is using under license agreements, copies of which have been provided to Buyer. The expiration dates, if any, of any of the Rights are set forth in Schedule 4.8.

(b) Except as disclosed in Schedule 4.3, none of the Rights owned by Seller is subject to any pending, or, to the knowledge of the Seller, threatened challenge.

(c) To the best of the Seller's and Principals knowledge, except as set forth in Schedule 4.8 no person or entity other than the Seller has any right to use, license, sublicense or operate under any of the Rights owned by the Seller.

4.09 Approvals and Consents. To the best knowledge of the Seller and the Principals, no licenses, approvals or consents of any federal, state, local or foreign regulatory agencies are required with respect to the Seller's participation in transactions contemplated by this Agreement, except as herein provided for herein (it being understood that Buyer has performed its own research as to compliance with the Hart-Scott-Rodino Antitrust Improvements Act and Seller makes no representation or warranty with respect to the same)..

4.10 Tax Returns and Payments. None of Seller's assets is subject to any lien for the payment of taxes owed by the Seller.

4.11 Computer Software.

(a) Schedule 4.11 hereto sets forth a complete and correct list of all computer programs used in the Seller's business, except the Current and New Software .

(b) Except as set forth in Schedule 4.11, the Seller and the Principals represent and warrant that:

(i) the Seller is the owner of the Current Software and New Software and the related documentation,

and

(ii) the Seller has the right to assign the Current Software and New Software to the Buyer free and clear of any pledges, security interests, consensual liens, contractual commitments or encumbrances created by the Seller or the Principals, except as expressly set forth herein.

(c) Schedule 4.11 sets forth a complete and correct list of all Software consisting of computer programs not owned by the Seller (collectively,"Licensed Software"). All Licensed Software (other than public domain material as noted on Schedule 4.11) is duly licensed to the Seller under licenses from persons representing themselves to be the owners thereof, complete and correct copies of which have been delivered to the Buyer, except as set forth in Schedule 4.11 and to the Sellers

knowledge,(i) the Seller is not in default in any material respect under any of such licenses, (ii) no other party thereto is in default in any material respect thereunder and (iii) there are no disputes or disagreements pending or threatened between the Seller and any other party to any such license . With respect to all licenses to be assigned to Buyer as provide in Section 6.2, , the Seller shall deliver all computer programs constituting the Licensed Software to the Buyer at the Closing, to the extent that the Seller possesses the same, by delivering the then current versions of (i) source code, if applicable, on magnetic media or in documentary form, (ii) object code, on magnetic media, and (iii) any related documentation with respect to each such program.

4.12 Fees Payable. Except for royalties, license fees, commissions or other amounts howsoever characterized, payable under any of the contracts, agreements or arrangements disclosed in any Schedule attached hereto, the sale or other distribution by the Buyer after the Closing Date of any of the Current Software shall not give rise to any obligation to pay to any party any royalty, license fee, commission, or any other amount howsoever characterized, arising out of any agreement, commitment or promise made by the Seller and not assumed by the Buyer in accordance with the terms of this Agreement.

4.13 Material Disclosure. No representation or warranty by the Seller contained in this Agreement and no statement contained in any certificate, list, Schedule, Exhibit or other instrument specified in this Agreement, whether heretofore furnished to the Buyer or hereafter required to be furnished to the Buyer, contains or will contain any untrue statement of a material fact. All material information required to be disclosed by this Agreement concerning the Seller has been disclosed.

4.14 Reliance. The foregoing representations and warranties are made by the Seller and the Principals with the knowledge and expectation that the Buyer is placing reliance thereon in entering into, and performing its obligations under, this Agreement.

4.15 Limitation. Nothing in this agreement shall be construed to constitute a representation by the Seller as the value of any asset transferred, the market for any such asset or that the resale by Buyer of any such asset shall result in financial success to the Buyer.

4.16 **Survival of Warranties and Representations.**

(a) The warranties and representations set forth in Sections 4.2-4.10, 4.11 (a) and (c) and 4.12, shall terminate on December 1, 1990. The warranties and representations set forth in Section 4.11 (b) shall terminate on December 1, 1993. Sections 4.13 and 4.14 shall be construed to terminate when the warranty and representation to which it pertains terminates.

(b) The maximum, aggregate total liability of Seller and the Principals for all claims arising out of the representations and warranties set forth in this Agreement or otherwise made in connection with this transaction or arising out of the indemnity obligations of the Seller and/or the Principals set forth in this Agreement shall be: $18,500,000 for claims made by Buyer in writing prior to December 31, 1991; $12,000,000 for claims made by Buyer in writing prior to December 31, 1992; and $6,000,000 for claims made by Buyer in writing prior to December 1, 1993.

(c) Notwithstanding the provisions of paragraph (b) above, in the event that the conditions set forth in Section 3.4 are met as provided therein, the maximum, aggregate, total liability of Seller and the Principals for all claims arising out of the representations and warranties set forth in this Agreement or otherwise made in connection with this transaction or arising out of the indemnity obligations of the Seller and/or the Principals set forth in this Agreement, shall be: $18,500,000 for claims made by Buyer in writing prior to December 1, 1990; $10,000,000 for claims made by Buyer in writing prior to December 1, 1991; $5,000,000 for claims made by Buyer in writing prior to December 1, 1992; and $1,000,000 for claims made by Buyer in writing prior to December 1, 1993.

(d) In all events, unless sooner terminated under paragraph 4.16 (a) all of the warranties, representations and indemnities of Seller and the Principals set forth in this Agreement or otherwise made in connection with this transaction shall expire on November 30, 1993, and neither Seller nor any of the Principals shall have any liability whatsoever on account of any such warranties, representations or indemnities unless a claim has been made by the Buyer in writing, prior to December 1, 1993. A claim shall be considered "made" by the Buyer when Buyer has given notice to the Seller and each Principal stating the particular claim with reasonable specificity. The maximum liability amount for each time period is

intended to cover all claims made from the date of closing until the end of the period. For example, using the schedule set forth in Paragraph 4.16 (b), if a claim is made in January of 1991 that ultimately results in a liability of $10,000,000, additional claims could be made during the remainder of 1991 up to a maximum of $8,500,000. The $10,000,000 would, however, count against the $12,000,000 ceiling applicable from January 1 to December 1, 1992. Thus, if no further claims were made in 1991, but a claim was made in January of 1992 which resulted in a total liability of $6,000,000, Seller and the Principals would only be liable for $2,000,000 of the $6,000,000 and Buyer would have no recourse against Seller or the Principals for the remaining $4,000,000.

ARTICLE V

REPRESENTATIONS AND WARRANTIES OF THE BUYER

The Buyer makes the following representations and warranties, each of which is true in all material respects on and as of the date hereof:

5.1 Organization. The Buyer is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware.

5.2 Authorization and Approval of Agreement. The execution, delivery and performance of this Agreement by the Buyer and all documents to be executed and delivered by the Buyer hereunder have been duly and validly authorized by all requisite corporate action and constitute the legal and valid obligations of the Buyer, binding upon it in accordance with their respective terms.

5.3 Execution of the Agreement. Neither the execution of this Agreement, the consummation of the transactions contemplated hereby nor the compliance with or fulfillment of the terms and conditions hereof will:

(a) violate or conflict with any provision of the Restated Certificate of Incorporation or By-Laws of the Buyer,

(b) (i) violate or conflict with, (ii) result in the breach or termination of or otherwise give any other contracting party the right to terminate, or (iii) constitute a default (or an event which, with the lapse of time, or the giving of notice, or both, will constitute a default) under any material contract or other instrument to which the Buyer is a party or by which it is bound, or result in the creation of any lien,

charge or encumbrance upon its properties or assets pursuant to the terms of any such instrument, or

(c) violate or conflict with any law, regulation, judgment, order, writ, injunction or decree of any court or governmental body of any jurisdiction as such law or regulation is related to the Buyer or its assets.

The Buyer is not a party to, subject to or bound by any agreement or any judgment, order, writ, injunction or decree of any court or governmental body that prevents the making of, or the consummation of the transactions contemplated by, this Agreement.

5.4 Approvals and Consents. No licenses, approvals or consents of any federal, state, local or foreign regulatory agencies are required with respect to the transactions contemplated by this Agreement, except as otherwise stated herein.

ARTICLE VI

MISCELLANEOUS COVENANTS

6.1 New Software

The Seller and the Principals will take all lawful steps necessary to transfer to the Buyer all rights in, title to and ownership of all the New Software, including source code, object code and related documentation, developed by them or on their behalf both prior to and subsequent to the execution of this Agreement.

6.2 Assignment of Contracts, Rights, Etc.

(a) Anything contained in this Agreement to the contrary notwithstanding, this Agreement shall not constitute an agreement to assign any contract, license, lease, commitment, sales order, purchase order or other agreement or any claim or right of any benefit arising thereunder or resulting therefrom if an attempted assignment thereof, without the consent of a third party thereto, would constitute a breach thereof or in any way adversely affect the rights of the Buyer or the Seller thereunder.

(b) the Buyer has entered into its own agreements with the parties specified in Schedule 6.2 and no assigments of Seller's contracts shall be made. Buyer agrees to

indemnify Seller for any claims arising out substitute contracts with third parties for any activities arising after said substitution.

6.3 Further Assurance, Etc. The Seller shall, at any time and from time to time after the Closing, upon the request and at the expense of the Buyer do, execute, acknowledge, deliver and file, or shall cause to be done, executed, acknowledged, delivered or filed, all such further acts, deeds, transfers, conveyances, assignments or assurances as may be reasonably required for the efficient transferring, conveying, assigning and assuring to the Buyer, or for aiding and assisting in the reducing to possession by the Buyer, of any of the Software.

6.4 Termination of the License. The parties hereto agree that upon the closing of this Agreement that the License shall be terminated and that all rights and obligations thereunder shall cease . The parties further agree that the payment made to Seller from Buyer's affiliate Xerox Corporation, of One Million, Two Hundred and Fifty thousand dollars ($1,250,000) on January 10,1990 shall constitute the payment required by paragraph 3.2 (a) and that such payment was made.

6.5 Covenants of Buyer. Buyer agrees to assume and perform all obligations of Seller to support the Current Software and all developer relationships(respond to inquires, provide information, etc.) with parties other than the Buyer.

ARTICLE VII

INDEMNIFICATION OF THE BUYER AND THE SELLER/ PRINCIPALS

7.1 The Seller's/Principals' Agreement to Indemnify. Subject to the limitations set forth hereinafter and in Section 4.16, the Seller and the Principals jointly and severally agree to defend, indemnify and hold harmless the Buyer against and in respect of any and all losses arising(and only to the extent so arising) as a result of any known and undisclosed claims that the New Software, as delivered to Seller and only as to those aspects of the New Software which have not been modified by the Buyer, infringes any copyright or patent held by a third party. As to sales after a notice of infringement, if Buyer can make reasonable changes to said software to avoid such infringement, Seller shall not be liable for any future infringement and Buyer shall indemnify Seller as to any Seller liability if such changes are not made. In any event Messrs. Meyer, Heiskell, Grant, and Lorenzen agree to render reasonable

assistance to Buyer as required to defend against any charge of infringement, at Buyers expense. This indemnity shall expire on December 1, 1993.

7.2 **The Buyer's Agreement to Indemnify.** The Buyer agrees to defend, indemnify and hold harmless the Seller and the Principals against and in respect of any and all loss, damage, liability, cost or deficiency arising out or resulting from (i) any misrepresentation or breach of warranty by the Buyer made or contained in this Agreement; or (ii) any misrepresentation in or material omission from any certificate or document delivered to the Seller under or in connection with this Agreement, or the transactions contemplated herein; or (iii) any nonfulfillment by the Buyer of any obligation under this Agreement or (iv) the actions of the Buyer or its affiliates; or (v) the Software, including claims for defects and for copyright and patent infringement except to the extent that Seller has indemnified Buyer for such infringement under Section 7.1 as limited by Section 4.16; or (vi) the matters for which Buyer has agreed to indemnify Seller under Sections 6.2 and 7.1; or (vii) any claim or demand made or action taken by Digital Research Inc. (DRI) arising out of (a) the ISV Software License Agreement, dated October 22,1985, as amended or the Termination Agreement, dated February 28, 1990 between Seller and DRI and/or (b) the Software License Agreement between Buyer and DRI, dated February 26,1990 or relating to the Software or any portion thereof, the business conducted by Seller or the Principals prior to the Closing or thereafter in furtherance of this Agreement, and/or the business conducted and to be conducted by Buyer.

7.3 **Notice of Liability.** Each of the Seller or Principals, or any of them as appropriate, and the Buyer shall, in a timely manner, provide the other with notice of all third party actions, suits, proceedings, claims, demands or assessments subject to the indemnification provisions of this Section VII (collectively,"Third Party Claims") brought against it at any time following the date hereof, and shall otherwise make available to the other party all relevant information in its possession or under its control material to the defense of any Third Party Claims against it. The indemnifying party shall immediately provide a defense if so requested by the indemnified party or, if not so requested , shall have the right to elect to join in the defense of any such Third Party Claim all at its sole expense. No Third Party Claim shall be settled or compromised without the consent of the indemnifying party unless the indemnifying party shall have failed, after the lapse of a reasonable time, but in no event more than 30 days, after notice to it of such Third Party Claim, to join in the defense of the same. If the indemnifying party wishes, it may control the defense of

such Litigation, at its own expense, insofar as such Third Party Claim relates to the liability of the indemnifying party. A party's failure to give timely notice or to provide copies of documents or to furnish relevant data in connection with any Third Party Claim shall not constitute a defense (in part or in whole) to any claim for Indemnification for such party, except and only to the extent that such failure shall result in any prejudice to the indemnifying party.

ARTICLE VIII

COVENANTS PROTECTING THE GOODWILL OF THE SOFTWARE

8.1 **Restrictive Covenants.** In order to make effective the transfer to Buyer of the ownership of the Software, and to ensure the Buyer of the full benefit of such transfer , the Seller and the Principals hereby jointly and severally undertake and agree to deliver at the Closing fully executed Non-Competition Agreements in the form attached as Schedule 8.1, from the Seller, each of the Principals and the following additional persons affiliated with the Seller: Loren Lorenzen, Kevin Holmes, Jay Lorenzen, Gary Lorenzen, John Grant and F. Richard Meyer .

8.2 (a) Seller and the Principals agree not to knowingly disclose or knowingly make available to any third party any trade secrets or confidential and proprietary information owned by Seller and sold to Buyer pursuant to this agreement including but not limited to Current Software or New Software (all such information hereinafter referred to as "Proprietary Information") in any form without the express written approval of the Buyer.

(b) The obligations recited in 8.2 (a) hereof shall terminate with respect to any particular portion of such Proprietary Information when and to the extent that it is or becomes:

i) part of the public domain through no fault of the Seller or Principals;

ii) legally disclosable to anyone by a third party who receives such Proprietary Information from the Buyer;

iii) known to the Seller or any Principal free of any obligation of confidence.

(c) In no event shall the obligations recited in (a) extend for concepts and algorithms beyond five (5) years from the date of this Agreement, however, Seller agrees not to knowingly make available any part of the program listings to a third party unless the program listing is within the realm of 8.2(b) (i), not withstanding the fact that the period for this obligation may extend beyond the five (5) years.

ARTICLE IX

CONDITIONS TO CLOSING

9.1 Conditions to the Buyer's Obligation to Close. The obligation of the Buyer to close hereunder shall be subject to the following conditions:

(a) The Seller shall have delivered to the Buyer each of the documents and instruments specified in Article 2 for the Seller to deliver.

(b) The representations and warranties of the Seller contained in this Agreement shall be correct and complete in all material respects at and as of the Closing Date.

(c) The Seller shall have fully performed and complied with the covenants, conditions and other obligations under this Agreement which are to be performed or complied with by it on or prior to the Closing Date.

(d) The Buyer shall have obtained executed written consents from the parties specified in Section 6.2(b) to the assignments or transfers referred to therein, or shall have entered into new agreements with such parties as provided in Section 6.2.

(e) No action, suit or proceeding before any court or any governmental or regulatory authority shall have been commenced, and no investigation by any governmental or regulatory authority shall have been commenced, and no action, investigation, suit or proceeding shall have been threatened, against the Seller, the Buyer or any of their respective affiliates, officers or directors, seeking to restrain, prevent or change the transactions contemplated hereby, questioning the validity or legality of any of such transactions or seeking damages in connection with any of such transactions.

(f) Non-competition agreements substantially in the form attached hereto at Schedule 8.1 shall have been executed between the Buyer and each of the persons specified in Section 8.1.

9.2 Conditions to the Seller's Obligation to Close. The obligation of the Seller to close hereunder shall be subject to the following conditions:

(a) The Buyer shall have delivered to the Seller each of the documents and instruments specified in Article 2 for the Buyer to deliver.

(b) The representations and warranties of the Buyer contained in this Agreement shall be correct and complete in all material respects at and as of the Closing Date.

(c) The Buyer shall have fully performed and complied with the covenants, conditions and other obligations under this Agreement which are to be performed or complied with by it on or prior to the Closing Date.

(d) No action, suit or proceeding before any court or any governmental or regulatory authority shall have been commenced, and no investigation by any governmental or regulatory authority shall have been commenced, and no action, investigation, suit or proceeding shall have been threatened, against the Seller, the Buyer or any of their respective affiliates, officers or directors, seeking to restrain, prevent or change the transactions contemplated hereby, questioning the validity or legality of any of such transactions or seeking damages in connection with any of such transactions.

(e) The Buyer shall have delivered to the Seller executed written consents from or new agreements with the parties specified in Section 6.2(b), terminating any and all obligations of Seller to such parties and releasing Seller from any liability to such parties.

ARTICLE X

EXPENSES AND FINDER'S FEES

The Buyer and the Seller shall each bear its own expenses incurred in connection with the negotiation, execution and performance of this Agreement.

The Buyer agrees to indemnify and hold the Seller harmless, and the Seller agrees to indemnify and hold the Buyer harmless, against and in respect of any liability to any broker, finder or agent for any brokerage fees, finder's fees, or commissions arising out of the conduct of the Buyer or the Seller, respectively, with respect to the transactions contemplated by this Agreement.

ARTICLE XI

SURVIVAL OF REPRESENTATIONS AND WARRANTIES

All representations and warranties made by the Seller and the Buyer under this Agreement in connection with the transactions contemplated herein or in any Schedule or Exhibit attached hereto or in any certificate or other instrument delivered pursuant hereto shall survive the Closing for the period specified in Section 4.16hereof.

ARTICLE XII

GENERAL

12.1 Waiver. Any failure of either of the parties hereto to comply with any of its obligations or agreements or to fulfill conditions herein contained may be waived only by a written waiver from the other party. No failure by any party hereto to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right hereunder by any party preclude any other or future exercise of that right or any other right hereunder by that party.

12.2 Notices. All notices, requests or other communications required or permitted hereunder shall be given in writing by hand delivery or by registered or certified mail, return receipt requested, postage prepaid, or by fax with receipt confirmed or by telex with confirmed answer back to the party to receive the same at its respective

address set forth below, or at such other address as may from time to time be designated by such party to the others in accordance with this Section 12.2:

If to the **Buyer**, to:

Xerox Desktop Software, Inc.
15175 Innovation Drive
San Diego, CA 92128

If to the **Seller**, to:

DLJ Software, Inc.
1188 Padre Drive
Salinas, CA 93901

with a copy to:

Office of the General Counsel
Xerox Corporation
800 Long Ridge Road
Stamford, Connecticut 06904

Attention: Vice President and General Counsel

If to the **Principals**, to:

John Meyer
25665 Tierra Grande
Carmel, CA
93923

Lee Lorenzen
619 Spazier
Pacific Grove, CA
93950

Don Heiskell
10 Los Robles
Carmel Valley, CA
93924

If to Grant:

John Grant
7385 Leafwood Dr.
Salinas, CA
93907

All such notices and communications hereunder shall be deemed given when received, as evidenced by the acknowledgment of receipt issued with respect thereto by the applicable postal authorities or the signed acknowledgment of receipt of the person to whom such notice or communication shall have been addressed, or confirmation by telephone or return fax that a fax transmission was received, or the confirmed answer back of a telex transmission, as applicable.

12.3 **Publicity.** None of the parties hereto shall issue any public announcement or press release or any promotion, advertising and the like concerning the transactions contemplated by this Agreement other than general statements to the effect that the transactions took place and that the Principals are no longer affiliated with Ventura Software, without the prior approval of the other parties except to the extent (if any) that such announcement may be required by U.S. or foreign laws or

governmental regulations, or by the New York Stock Exchange or any other securities exchange.

12.4 **No Third Party Beneficiaries.** Neither this Agreement nor any provision hereof, nor any Exhibit or Schedule hereto or document executed or delivered herewith, shall create any right in favor of or impose any obligation upon any person or entity other than the Buyer, the Seller and the Principals and their respective successors and assigns.

12.5 **Captions and Paragraph Headings.** Captions and paragraph headings used herein are for convenience only and are not a part of this Agreement and shall not be used in construing it.

12.6 **Entire Agreement.** The making, execution and delivery of this Agreement by the parties has been induced by no representations, statements, warranties or agreements other than those herein expressed. This Agreement embodies the entire understanding of the parties and there are no other agreements or understandings, written or oral, in effect between parties relating to the subject matter hereof, unless expressly referred to by reference herein. This Agreement may be amended or modified only by an instrument of equal formality signed by the parties or their duly authorized agents. The Seller, the Buyer and the Principals make no representations or warranties not expressly set forth in this Agreement. This Agreement supersedes and terminates all prior discussions, negotiations, understandings, arrangements and agreements between the parties relating to the subject matter hereof.

12.7 **Counterparts.** This Agreement may be executed in any number of duplicate counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

12.8 **Assignability.**

(a) No party hereto may assign this Agreement without the prior written consent of the other prior to December 1,1990.Seller shall have the right to assign this Agreement after December 1,1990. Buyer shall have the right to assign this Agreement and all of the Software after December 1,1990, provided however that no obligations of Seller shall be transferred and that immediately upon such assignment, all of the obligations and liabilities of the Seller and the Principals under this Agreement shall automatically terminate and be of no further force or effect,

except for sections 8.1 and 8.2. Notwithstanding the foregoing, the Buyer may assign its rights and all such obligations under this Agreement to any subsidiary, controlled directly or indirectly by the Buyer. Any impermissible attempted assignment of this Agreement without such prior written consent shall be void.

(b) No assignment of this Agreement by Buyer shall release or otherwise affect the obligations and liabilities of Buyer or any guarantor of Buyer's obligations hereunder and Buyer and all such guarantors agree that in the event of any such assignment they shall continue to be liable (directly and primarily and not as a surety or guarantor) for all of their respective obligations and liabilities of Buyer hereunder.

12.9 **Successors and Assigns.** This Agreement and the provisions thereof shall be binding upon and inure to the benefit of the respective successors and assigns of the Buyer, the Seller and the Principals.

12.10 **Governing Law.** The validity, construction, operation and effect of any and all of the terms and provisions of this Agreement shall be determined and enforced in accordance with the laws of the State of California

12.11 **Choice of Jurisdiction.** . Buyer and Seller hereby agree that any litigation, arbitration or other dispute resolution proceeding arising out of this Agreement or the transactions contemplated hereby (including the Non-competition Agreements referred to in Section 8.1) shall take place in the state of California, unless the parties to the dispute agree otherwise at the time the dispute arises. Accordingly, each party hereby submits and consents to the non-exclusive jurisdiction of the federal and state courts of the state of California for purposes of any such proceedings and irrevocably waives, to the fullest extent permitted by law, any objection which it may now or hereafter have to the laying of venue in such a court and any claim that any proceeding brought in such a court has been brought in an inconvenient forum.

12.12 **Attorney's Fees** In the event of any litigation, arbitration or other legal proceeding arising out of this Agreement or the transactions called for herein, the prevailing party shall be entitled to an award or judgment for the costs and expenses incurred in connection with such proceeding (including reasonable attorneys fees and expert witness fees).

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the date first above written.

VENTURA SOFTWARE, INC.

By: John Meyer
Name: John Meyer
Title: President

XEROX DESKTOP SOFTWARE, INC.

By: Larry J Gerard
Name: LARRY J GERARD
Title: PRES. DENT

The following individuals are signing for the sole purpose of making those covenants, representations and warranties stated to be made by the Principals under Articles III and IV hereof.

John Meyer

Don Heiskell

Lee Lorenzen

SCHEDULE 2.1(c)

February 28, 1990

Xerox Desktop Software, Inc.
15175 Innovation Drive
San Diego, CA 92128

Re: **Ventura Software, Inc.**

Gentlemen:

We have acted as counsel to Ventura Software, Inc. ("the Company") in connection with the sale to Xerox Desktop Software, Inc. of certain software (the "Software"), as contemplated in the Software Acquisition Agreement between the Company and Xerox Desktop Software, Inc., dated February 28, 1990 (the "Agreement"). This opinion is rendered pursuant to Section 2.1(c) of the Agreement. Unless otherwise defined herein, defined terms in this letter shall have the same meaning as when used in the Agreement.

For purposes of this opinion, we have reviewed the originals or copies identified to our satisfaction of the following documents: (i) the Agreement; (ii) copies of the Restated Articles of Incorporation and the By-Laws of the Company, certified by the Secretary of the Company; (iii) a good standing certificate from the California Secretary of State, dated February 28, 1990, certifying that the Company is duly qualified and in good standing in such state; (iv) certified copies of resolutions of the Company dated as of February 28, 1990

approving and authorizing the sale of the Software and the execution of all documents pursuant to the Agreement; and (v) a certificate of the Secretary of the Company dated as of February 28, 1990 certifying the names, title and signature of the officers of the Company authorized to execute the Agreement and the instruments and documents executed and delivered by the Company as of the Closing.

In our examination of the foregoing specified documents and other certificates, records and documents, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals, the conformity with the original documents of all documents submitted to us as certified or telecopies or photostatic or reproduced copies, and the accuracy and completeness of all corporate records and documents (as supplemented or amended by certificates of officers, directors, and others and/or subsequent actions by the Board of Directors and/or shareholders of the Company) and of all certificates and statements of fact, in each case given or made available to us by the Company and its officers or directors.

Except as specified above, we have not inspected or reviewed the books, records or assets of the Company. We have made no independent investigation of any matter of fact relevant to the opinions contained herein, nor have we independently verified information received from third parties. As to factual matters,

we have relied solely on the statements contained in the documents listed above.

The use in this opinion letter of the phrase "to our knowledge" means that the opinion expressed in the applicable paragraph is limited exclusively to the current, actual knowledge of Mary Ellen Richey and Amy Beer, who are the attorneys with our firm who have worked on this matter. We have represented the Company in connection with specific transactions only. We have not acted as outside general counsel and are not generally familiar with the Company's history or affairs.

Subject to the foregoing and the qualifications set forth below, it is our opinion that:

1. The Company is a corporation duly organized, validly existing, and in good standing under the laws of the State of California and has full power and authority to own and operate its properties and assets, and to carry on its business as presently conducted. To our knowledge, the Company is duly qualified and authorized to do business, and is in good standing as a foreign corporation, in each jurisdiction where the failure to so qualify would have a material adverse effect on the Software.

2. The Company has all requisite corporate power to enter into the Agreement and to carry out and perform its obligations thereunder.

3. The execution, delivery and performance of the Agreement has been duly and validly authorized by all corporate action required to be taken by the Company and the Agreement is the legal, valid and binding obligation of the Company and is enforceable against the Company in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting the rights of creditors generally and to the availability of equitable remedies (whether an action is brought at law or in equity).

4. To our knowledge, the Company is not in violation of any term of its Articles or By-Laws and the execution, delivery and performance of the Agreement will not result in any such violation.

5. We have participated in conferences with officers of the Company in which the representations and warranties contained in Article IV of the Agreement were discussed. Although we are not passing upon, do not assume any responsibility for and have made no independent verification of the accuracy, completeness or fairness of the representations and

warranties, we advise you that nothing has come to our attention in the course of those conferences in which we have participated that leads us to believe that the representations and warranties (including the representations as to ownership and encumbrances set forth in Section 4.11(b) of the Agreement) contain any untrue statement of a material fact.

The foregoing opinions are subject to the following qualifications:

(a) This opinion is limited to the existing laws of the state of California and the United States of America. We express no opinion with respect to the effect on this transaction of the laws of any other time or jurisdiction.

(b) We express no opinion as to the applicability of the laws of any particular jurisdiction.

(c) We express no opinion on the applicability or effect of or compliance with the Revenue and Taxation Code of the State of California or the Internal Revenue Code of 1986 of the United States.

(d) We express no opinion on the enforceability of provisions in the Agreement whose terms are left open for later resolution by the parties.

(e) We express no opinion on the applicability or effect of or compliance with any state or federal securities laws.

(f) All opinions expressed herein are subject to the following, as applicable: (i) the parties' duty to act in accordance with the covenants of good faith and fair dealing implied in every agreement under California law, which has been construed (among other things) to require parties to act reasonably and in good faith when exercising rights and remedies afforded by the contract; (ii) Section 1670.5 of the California Civil Code regarding unconscionability of contracts and related case law dealing with common law defenses based on unconscionability, duress, unequal bargaining power and similar theories; and (iii) the parties' duty to act in accordance with the obligations of good faith and commercial reasonableness under the California Commercial Code.

(g) We express no opinion as to the validity or enforceability of (i) any indemnity obligations imposed by or arising under the Agreement to the extent such obligations allow indemnification for the indemnitees' own wrongful acts or are otherwise contrary to public policy; (ii) any provision of the Agreement that could be construed as a penalty for non-performance or impose a forfeiture, except to the extent

complying with applicable California statutes regarding liquidated damages; or (iii) any provision of the Agreement authorizing a remedy or action against a party based upon the occurrence of a non-material breach, or upon false or misleading representations to the extent the other party's reliance therein was not reasonable in the circumstances or if the enforcement of the provision would be unreasonable under then-existing circumstances.

(h) A requirement that provisions in the Agreement may be waived only in writing may not be enforced to the extent that an oral agreement has been performed modifying the provisions of the Agreement.

(i) The parties' rights to attorneys' fees will be modified to the extent inconsistent with California Civil Code Section 1717 and case law decided thereunder.

(j) We express no opinion as to the Company's or the Buyer's title to or ownership of any software or other assets.

The opinions expressed in this letter are based upon the applicable laws and regulations in effect as of the date of this letter. We expressly decline any continuing obligation to advise you after the date of this letter of any changes in the foregoing or any changes of circumstances of which we may become

aware that may affect the conclusions reached herein. This letter has been prepared solely for your benefit, and it may not be quoted in full or in part or otherwise referred to, or filed with or furnished to any other person or entity, with or without reference to our firm, without the prior written consent of this firm.

Very truly yours,

FARELLA, BRAUN & MARTEL

SCHEDULE 4.2

Contracts

Name of Contracting Party	Subject Matter	Date	Additional Information
Digital Research, Inc.	Licensing of GEM system software (agreement plus two addendums).	9/15/88	Non-transferable; not assignable; terminated.
Adobe Systems, Inc.	Licensing and distribution of Adobe screen fonts.	5/1/87	Assignable with prior written consent; not to be transferred.
Ventura Publisher Users Group	Sub-licensing and distribution of Adobe screen fonts.	5/29/87	No assignment clause; terminable without cause on 90 days notice; not to be transferred.
Bitstream	Licensing and distribution of screen and printer fonts with Ventura Publisher.	4/15/86	Assignable on transfer of "relevant portion of Licensee's business," with prior written consent; not to be transferred.
Bitstream	Production of additional bitmaps using Fontware.	9/3/87	Not to be transferred.

Name of Contracting Party	Subject Matter	Date	Additional Information
Bitstream	Production of derivative of "Fontware" to work with Ventura Publisher; resulting derivative owned by Bitstream.	9/8/87	Not to be transferred.
Bitstream	Use of one typeface outline in Ventura Publisher 3.0 HPGL converter; requires Ventura to mention Bitstream products in user documentation for Ventura Publisher.	11/13/89	Not to be transferred.
Edco Services	Edco to provide a hyphenation dictionary to its users; Edco to pay royalties to Ventura.	6/10/87	Not to be transferred.

Name of Contracting Party	Subject Matter	Date	Additional Information
Edco Services	Distribution by Ventura of Edco hyphenation dictionary with "Professional Extension;" payment of royalties to Edco. A ROYALTY IS DUE TO EDCO FOR EACH DICTIONARY SHIPPED.	9/20/88	Not to be transferred.
PKWARE, Inc.	Distribution of "PKUNZIP" program; to be used in Ventura Publisher 3.0.	6/28/89	Non-exclusive; non-transferable; not to be transferred.
XPO, Inc.	Sales representative agreement; commissions paid from early 1986 through November 30, 1988; could claim further commission with respect to sales by or to Xerox.	11/11/85	Terminated by letter dated November 21, 1986; copies of correspondence have been delivered to Buyer; no claim was made for additional commission at the time of termination, and no claim has been made since the last payment was made. Not to be transferred.

Name of Contracting Party	Subject Matter	Date	Additional Information
Various Developers	Several hundred non-disclosure agreements (covering information required to produce Ventura Publisher), copies of which have been delivered to Buyer.	Various Dates	
Various Companies	Several hundred product loan and product evaluation agreements, some of which contain non-disclosure provisions; copies of which have been delivered to Xerox.	Various Dates	
Various Companies	Several hundred disclosures by others of their Digital Research licenses for GEM system software, copies of which have been delivered to Buyer.	Various Dates	
Parkland Properties	Lease for premises at 675 Jarvis Drive, Morgan Hill, CA 95037.	11/19/85	Not to be assigned/assumed by Xerox.

Name of Contracting Party	Subject Matter	Date	Additional Information
Brandon & Tibbs	Lease for premises at 1188 Padre Drive, Suite 201, Salinas, CA 93901.	6/18/87	Not to be assigned/assumed by Xerox.

SCHEDULE 4.3

Litigation

1. THE LASER EDGE threatened action against both Buyer and Seller by letter of May 31, 1989. Copies of the correspondence have been provided to Buyer. Except for this correspondence, Seller has received no other documents or other communications on this matter.

2. Eric Bader has filed a complaint against Xerox Corporation. A copy of the complaint and associated correspondence has been provided to Buyer.

3. MUSIC DESIGN complained about Xerox customer service. A copy of the correspondence has been provided to Buyer. Seller has received many similar letters relating to complaints on customer service.

4. Seller terminated the employment of Melinda White on October 25, 1989. A copy of the offer letter and termination notice has been provided to Buyer.

5. Seller has received several hundred letters reporting software bugs, software anomalies and other problems typically found in microcomputer software. Many of these letters suggest or request corrective action, although to Seller's knowledge none threaten specific legal action except as disclosed in this Schedule.

SCHEDULE 4.4

Absence of Changes or Events

To the best knowledge of Seller and the Principals, none.

SCHEDULE 4.8

Patents, Trademarks, Service Marks, and Copyrights

A. Trademarks and Tradenames.

1. **Ventura Publisher** (U.S. Registered Trademark No. 1,446,089, expires July 2007 unless sooner canceled or abandoned).

2. **Professional Extension** (U.S. Registered Trademark No. 1,548,070, expires July 2009 unless sooner canceled or abandoned).

3. Trademark registrations and filings for Ventura Publisher have been obtained or made by Xerox or its counsel in various foreign countries (including Australia, India, Korea, New Zealand, Malaysia and Singapore). Seller has no independent knowledge of and makes no representation or warranty whatsoever regarding any such registrations or filing, or the status of the name outside the United States.

4. Ventura Software, Inc. is a trade name used by Seller but has not been legally protected by Seller in any way, other than its use as Seller's corporate name in the State of California.

5. Seller has never attempted to claim any rights to the name Ventura, except as a part of the trademarks and tradenames listed above, and makes no representation or warranty regarding any right to use "Ventura," either alone or in conjunction with other words, except as part of those trademarks or tradenames.

B. Copyrights

Work	Registration date
Ventura Publisher version 1.0	November 3, 1986
Ventura Publisher version 1.1/1.11	December 4, 1987
Ventura Network Server version 2.0	September 28, 1988
Ventura Publisher version 2.0	December 28, 1988
Ventura Publisher Professional Extension version 1.0	January 31, 1989

Each copyright expires 75 years from the date of registration.

C. Threatened Challenges

Xerox legal counsel has informed the Seller of an IBM patent filing. Seller has no other knowledge of such filing and makes no representation or warranty as to its validity or effect on the Rights.

D. Rights of Other Persons

1. Approximately thirty developers and media persons have requested permission to use photographs of Ventura Publisher screens and similar items. All of these requests were granted. Copies of several typical requests have been provided to Buyer.

2. The Seller is aware of the following uses of names similar to the Rights by entities not affiliated with Seller:

Ventura Publisher User Group

Ventura Publishing Co., of Kennewick, WA (509) 582-2064, who makes a software program called **Pipedate** which computers pipe flow calculations.

Ventura Peripherals (100 Rancho Road, Suite 27, Thousand Oaks, CA 91362) who makes a product called **ACCEL-500**, which is a computer printer.

Ventura Micro Support of 3140 South Eden Street, Oxnard, CA 93033.

Ventura Software, Inc., a consulting software business located in India.

Seller has taken no action against any of these companies, nor to Seller's and the Principal's knowledge have they taken action against Seller.

SCHEDULE 4.11

(a) Computer Software Used in Seller's Business (other than Current and New Software). A directory listing of all software on John Grant's, Lee Lorenzen's, and Don Heiskell's computers as well as all software on Seller's network server has been provided to Buyer and shall be considered to be the "list" required by Section 4.11(a).

(b) Computer Software Not Owned by Seller

1. GEM system software, including but not limited to GEM.EXE, GEM.EMS, and portions of screen and printer drivers (i.e., files beginning with the letters SD or PD); owned by Digital Research.

2. All fonts contained in the product; owned by Bitstream, Inc.

3. PKUNZIP.EXE, compression utility to be included in all Version 3.0 products; owned by PKWARE, Inc.

4. Hyphenation algorithms and dictionaries shipped with Ventura Publisher.

   (A) The TEX (US hyphenation) algorithm was (i) obtained from Allen Holub, an author at Dr. Dobbs Journal, M&T Publishing, Inc., 2464 Embarcadero Way, Palo Alto, CA 94303, (ii) described in the C Chest column of the October 1985 Dobbs Journal. Seller believes that this software is in the public domain and has no license to use it.

   (B) Other algorithms were licensed by Rank Xerox; Seller has no knowledge of the status or effect of these licenses and makes no representation or warranty with respect to them.

   (C) Seller has no license, contract or other rights with respect to the Houghton-Mifflin hyphenation dictionary.

   (D) The Edco hyphenation dictionary distributed by Professional Extension; owned by Edco Services.

5. Tools. All files on John Grant's, Lee Lorenzen's and Don Heiskell's computers which have the file extensions EXE or COM are not owned by Seller. These are the computer tools used to build the Current and New Software. The Buyer agrees to obtain its own licenses to use these tools. Seller shall have no obligation with respect to the same and shall have no liability for any claim, loss or damage arising out of Buyer's failure to obtain such licenses.

(c) License Agreements

The agreements covering the Software listed in Paragraphs (b) (1)-(3) above are listed in Schedule 4.2.

SCHEDULE 6.2

Third Party Contracts

Digital Research, Inc.

Bitstream

Edco Services

PKWARE, Inc.

APPENDIX A

Equipment to be Transferred Under Section 1.1 (b)

- Compaq 386 and VGA Monitor, SN 4809AQ3B0625
- Compaq 386 and VGA Monitor, SN 4809AQB0239
- Compaq 386 and VGA Monitor, SN
- Compaq 386 portable, SN 4803AQ2B1102
- Compaq 286 Deskpro, SN 455106180455
- Compaq 286 Deskpro, SN 452406180188
- Compaq Deskpro and CGA monitor SN 3508520057
- Compaq Deskpro and CGA monitor SN 4517052B0422
- Apple Laserwriter Plus printer SN A62773FRM0156
- Apple Macintosh Plus and Monitor SN F7411BH
- IBM System/2 Model 60 Computer and VGA monitor SN 72-80006993

APPENDIX B
Delivery Of Software

The requirements of Section 2.3 of the Agreement will be satisfied and all Software deemed delivered to Buyer in accordance with the Agreement upon delivery of each of the following:

1. A complete "mirror image" copy of the hard disks of the computers used by Lee Lorenzen, Don Heiskell and John Grant, to be made on computers provided by the Buyer. These computers must be Compaq 386/20 (or faster) with 300 megabyte hard disks, VGA and 6 megabytes of memory. Buyer shall be responsible for obtaining valid licenses for all development tools contained on these computers. including but not limited to the Microsoft C compiler, Epsilon editor, and Wordstar. Program files which may require licensing include files having the extension EXE or COM. The software collectively contained on the three computers are intended to include all those necessary to build the GEM (currently shipped version), Windows (version 3.0) or Presentation Manager (version 1.2) version of Ventura Publisher version 3.0. Buyer assumes responsibility to verify that these three programs can be built from the files contained on these computers and Seller assumes the responsibility to provide any files which have been inadvertently omitted from the disks of these three computers.

2. A tape backup of the entire contents of the Novell file server used in the development of the various versions of Ventura Publisher. This will be provided on DC-600A streaming tape.

3. Copies of any and all source code for previous releases stored in the safe deposit box leased by the company in the vault at Bank of America in Salinas, CA.

4. A copy of all developer technical notes and the disks which accompany those notes.

5. Seller will deliver new updates to the New Software approximately once each week, together with copies of any source, make, help, etc. files which changed in

making the new updates, to the extent such files are neccessary to Buyer's ability to create the new Software.

APPENDIX C

New Software Product Specification Summary and Deficiency List

3.0 DOS/GEM Version

- As demonstrated in the December 1989 edition (with mutually agreed upon bugs fixed).

Windows 3.0 Version

- Graphical user interface and performance as demonstrated in the XVP Windows edition dated 1/31/90 with minor changes to achieve dialog consistency between the Windows and PM versions.
- Environmental and driver limitations as listed herein with deficiencies corrected as specified.
- Help and network as shown in the XVP Windows edition dated 1/31/90 with deficiencies corrected as specified herein.
- Otherwise all detail functionality and features of the XVP 3.0 DOS/GEM edition dated 12/90 (with bugs fixed) except that the Xerox provided Houghton-Mifflin hyphenation software replaces the EDCO hyphenation software.
- Reference Manual to be written by John Meyer.
- Undo/redo as specified herein will be implemented immediately after acceptance of the initial release of the Windows and Presentation Manager versions.

Presentation Manager Version

- Graphical user interface as demonstrated in the XVP PM edition dated 2/20/90 except the fonts and manage width table dialogs will be changed to look like the 1/31/90 Windows edition.
- Environmental and driver limitations as listed herein with deficiencies corrected as specified.
- Help and network as shown in the XVP Windows edition dated 1/31/90 with deficiencies corrected as specified. (Help topics are the same as in the Windows version, but the user interface is like other PM applications such as the Program Manager.)
- Otherwise all the detail functionality and features of the XVP 3.0 DOS/GEM edition dated 12/90 (with bugs fixed) except that Xerox provided Houghton-Mifflin hyphenation software in place of the EDCO hyphenation software.
- Undo/redo will be implemented as specified herein immediately after acceptance of the initial release of the Windows and presentation Manager versions.
- Performance as demonstrated in the XVP Presentation Manager edition dated 1/31/90 except for the ability to switch to another application or another instance of XVP during time consuming tasks such as drawing a page, loading a chapter, or printing.

- Reference Manual to be written by John Meyer.

Feature to be Added to all Platforms

A feature that allows the user to flag a chapter for export.

Deficiencies to be Corrected

Networking (All Versions)

Ventura will provide a call to a routine at the beginning of the Ventura Publisher application for validating the network installation and continue or terminate depending on the return. In the Windows and Presentation Manager versions this should be a DLL routine. As the application is delivered, Ventura may provide a null routine that always returns a "continue" response and Xerox will assume responsibility for subsequent development of the network validation routine.

HELP (Windows and PM)

- The HELP index will be accessible by using the F1 key in the Windows and Presentation Manager versions, whether dialog boxes are open or not.

Internationalization (Windows and PM)

- There must be space in the resource files to expand messages and prompts for internationalization. Expansion space will be provided in the VPPMLIB.DLL and VPWINLIB.DLL files for those strings which currently do not have expansion space.

Deficiencies To Be Corrected

Undo/Redo

On the Windows and Presentation Manager versions there will be one level of undo/redo functionality in the following areas:

Frame

- Cut, copy, paste
- Add frame
- Moving frame, resizing frame
- Change file displayed in selected frame

Paragraph/Tagging

- Change to a tag (from any dialog above the dotted line on Tags Menu)

- Last change in which tag is applied to selected paragraph(s)

Text

- Cut, copy, paste
- Typing (including backspace key, not supported across paragraph boundary, and any jump overs it may delete)
- Font change within the text of a paragraph

Graphics

- Cut, copy, paste
- Add graphic
- Moving graphic, resizing graphic

Tables

- Cut, copy, paste

Chapter menu

- Remove page is not undoable. The user will be warned that it is not undoable.

The minimum memory requirements must be raised to support undo/redo. No undo/redo for the GEM/DOS 3.0 version.

Environmental And Driver Limitations

(With deficiencies to be corrected as noted)

- **Character Set-Display Screen/Printer Limitations** (Windows)

  Microsoft is planning to launch Windows 3.0 with the default character set of ANSI and not the 1004 code page (publishing character set). The ANSI character set is a sub set of the Ventura character set, and several characters are not displayed or printed, 19 characters from XVP international set and seven characters from the symbol set. 22 characters from the XVP international set are not displayed in PM. The ANSI character set provides room to map in the additional characters. The Microsoft 1004 code page character set contains all the characters except for the florin character.

  Ventura will implement the facility for loading an additional .FON file for the Windows version to supplement or replace the fonts already built into these platforms. Xerox will obtain the Fontware from Bitstream with the character set in place. Ventura will only support those characters that can be printed by a Windows Postscript printer driver.

- **Equations Are Not WYSIWYG** (Windows)

  Microsoft symbol font does not carry the font cell left and right character alignment delta like the GEM fonts. It is the difference between the cell width and character width. This is useful for building an equation character from several symbol characters in order to eliminate the white gaps.

  Ventura Software will tweek the equation code to make the equations look as close to WYSIWYG as possible.

- **No Gray Scale Image Representation On Screen** (Windows and PM)

  The Microsoft platforms do not permit full access to the operating system sixteen color register look-up table to do gray scaling. Only the GEM/DOS product has access to the full LUT.

  Ventura Software will display gray scale image files as dither pattern. All gray scale image setting saved in the document, should not be lost.

- **Window Metafile Transfer Limitations** (Windows and PM)

  Microsoft metafiles are not compatible across platforms. Windows and GEM do not recognize a PM metafile, and the GEM and PM metafile filter only supports Windows metafile 2.X format.

  For transportability across platforms, the user should keep the image file in the original graphics file format or convert the image file to some graphics format, e.g. EPS that the Ventura application accepts.

Environmental And Driver Limitations
(With Deficiencies to be corrected as noted)

- **Platform Driver Limitations** (Windows and PM)

  - Performance (Screen/printer)
  - Font Downloading
  - Fonts
  - Print To Disk

  Attached at the end of this Appendix C is a list of the driver and platform deficiencies.

- **Memory Requirements** (Windows and PM)

  Xerox needs to measure the memory used in the demonstration software and determine whether it will be satisfactory for the final product. A user should be able to use the Windows version reasonably well with a machine with 3 Mbytes and the PM version reasonably well with a machine with 4 Mbytes.

- **Line Drawing Endings** (Windows)

  Ventura Software is using the Windows line art commands to draw the graphic lines. Windows has a bug where lines that are six points and larger and specified with square corners are drawn with rounded corners.

- **No Symbol Screen Fonts** (PM)

  Microsoft will not have a symbol screen font. Xerox will contract Bitstream or other font house to create a finished Symbol font that can be added to PM with the "Add Font" interface.

- **Multiple Threads** (PM)

  Ventura Software will provide the ability to switch to other applications or another instance of XVP during time consuming tasks such as drawing a page, loading a chapter, or printing.

Functionality and Feature Differences
(No corrections required)

- **Make/Remove Directories**

  The new platforms provide tools to make and remove directories without terminating the Ventura application. There is no strong requirement to maintain "Make/Remove Directories" within the application.

- **Change Screen Fonts**

  XVP Gem/DOS edition provides its own screen fonts (e.g. EGA, VGA, PSF) and allows the user to change the screen fonts from within XVP. The new platforms provide the screen fonts. Use the platform tools to change fonts. There is no strong requirement to maintain "Change Screen Fonts" within the application.

- **Drop-Down/Pop-Up Menus**

  Drop-down and pop-up menus selections are removed. The new platforms only support pull-down menus.

- **Assign Keys Differently**

  Function keys F1 and F10 are predefined by the new platforms. Ventura Software will rotate current function key definitions to the next function key position.

- **Set Printer Information Dialogue**

  "Set Printer Info" dialogue selects printers, defines output, and printer and screen fonts. The same functionality is provided by the platform control panel and is no longer needed from within the Ventura application. The width table selection is moved to the "Manage Width Table" dialogue.

APPENDIX C

DRIVER AND PLATFORM DEFICIENCIES TO BE CORRECTED

AR	SUBJECT
4	Landscape Printing Cuts Off Left Margin
9	Two Messages Appear Simultaneously When Printing
71	2600* Printing Tiff Causes Fatal Error If Screen Colors On
137	Scoop.chp Not Printing Well On Epson 9 Pin
139	Print All Prints Text Of By One Line In Charset.chp
181	Setup.exe For HPLJ Uses Postscript Width Table
182	Bitstream Fonts For HPLJII Are Not Being Recognized
184	Capabili.chp Does Not Print Ventura Graphics To HPLJ/IID
187	Printing Only Right Or Left Side Of Chps, Skips Pg One

Buyer understands that Seller is not preparing drivers for the Windows and PM platforms.

APPENDIX C (continued)

Form of Notice of Delivery of "Undo/Redo" Feature

DLJ Software, Inc.
1188 Padre Drive
Salinas, California 93901

Re: Software Acquisition Agreement dated as of February 28, 1990

Gentlemen:

This will confirm that the "undo/redo" feature called for in Section 3.4(d) of the above-referenced Agreement has been delivered as required by the Agreement, except that the required functionality has not been met in the following specific respects:

[list deficiencies]

[Upon correction of the foregoing deficiencies within thirty days of the date of this letter] [This will further confirm that] the schedule of maximum liabilities set forth in Section 4.16(c) of the Agreement shall apply and the schedule set forth in Section 4.16(b) has no further force or effect.

Very truly yours,

XEROX DESKTOP SOFTWARE, INC.

By:_____

APPENDIX D

Allocation of Payment for Non-Competition Agreements

NAME	AMOUNT (million)
Don Heiskell	$1.912
John Meyer	$1.912
Lee Lorenzen	$1.912
John Grant	$0.535
Loren Lorenzen	$0.182
Kevin Holmes	$0.036
Jay Lorenzen	$0.073
Gary Lorenzen	$0.036
Richard Meyer	$0.401
TOTAL:	$7.000

THIS AGREEMENT is made this 28th day of February, 1990, by and between Ventura Software, Inc., a California corporation ("Ventura"). and XEROX DESKTOP SOFTWARE, INC., a Delaware corporation ("Xerox").

WHEREAS, Xerox is proposing to enter into an agreement with Ventura for the purchase of certain of the assets of that corporation; and

WHEREAS, the assets of Ventura include certain unique software products;and

WHEREAS, the execution and delivery of this Agreement are conditions precedent to the consummation of the transactions contemplated in the Software Acquisition Agreement;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by Xerox and Ventura, the parties hereto agree as follows:

1. Covenant Not to Compete and Term Thereof.

(a) Ventura shall not engage, directly or indirectly, whether as principal, agent, consultant, owner, partner, joint venturer or otherwise (provided that ownership of a direct or indirect equity interest of 20% or less in any entity for an interest acquired after the date hereof, or an interest of 50% or less acquired prior to the date of this Agreement, shall be permitted), anywhere in the world, in a business which designs, manufactures, assembled, markets, sells or distributes any product which has substantially the same functions or features in the page make-up or page composition areas as (1) the Ventura products transferred or to be transferred under the Asset Transfer Agreement or (2) any graphic word processing product on sale prior to December 1, 1990. As an illustration and without limiting the generality of the foregoing, Ventura would not be considered to have breached this covenant If, for example, it engaged in the business of developing or marketing a drawing package such as Adobe Illustrator, a spreadsheet such as Excel, a communications package such as Crosstalk or a graphing package such as Lotus Freelance. Ventura shall not be prohibited from creating products which require Ventura Publisher or work in conjunction with Ventura Publisher

(b) The term of the covenants contained in (a) above shall be three (3) years from the date of the last payment made pursuant to the Software Acquisition Agreement dated Feb. 28 1990 but in no event, shall the three year period commence later than December 1, 1990. LG 2/28 JM 2/28/90

2. Necessity of Protection. The necessity of protection against the competition of Ventura and the nature and scope of such protection has been carefully considered by the parties hereto. The parties hereto agree and acknowledge that the duration, scope and geographic areas applicable to the covenant not to compete described in this Agreement are fair, reasonable and necessary, that adequate compensation has been received by Ventura for such obligations, and that without such obligations Xerox would not purchase the Business. If, however, for any reason any court determines that the restrictions in this Agreement are not reasonable or that consideration is inadequate, such

restrictions shall be interpreted, modified or rewritten to include as much of the duration, scope and geographic area identified in this Agreement as will render such restrictions valid and enforceable.Ventura acknowledges that the remedy at law would be inadequate and that Xerox shall be entitled, to an injunction restraining such breach upon the commencement of any suit therefor by Xerox , in addition to monetary damages and any other remedy available at law or in equity.

4. Transferability. The parties hereto agree that this Agreement shall inure to the benefit of Xerox and its successors and assigns, and shall be fully transferable and assignable by Xerox in connection with the transfer of substantially all of the Business. Upon such transfer or assignment, this Agreement shall remain in full force and effect, under the terms herein, between Ventura and such transferees, assignees or successors-in-interest. This Agreement shall be binding upon Ventura's successors and assigns.

5. Waiver. The waiver by either party to this Agreement of a breach by the other party of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach by the other party. No waiver of any provision of this Agreement shall be effective, unless in writing and signed by the party waiving its rights, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

6. Notices. All notices, requests, demands and other communications given by any party hereto shall be in writing and shall be deemed to be duly given if delivered, or if mailed first class, return receipt requested, addressed as follows:

(a) If to Xerox:

Xerox Desktop Software, Inc.
15175 Innovation Drive
San Diego, CA 92128

With a copy to:

Xerox Corporation
800 Long Ridge Road
Stamford, Connecticut 06904
Attention:General Counsel

(b) If to Ventura:

DLJ Software
1188 Padre Drive, Ste 201
Salinas CA 93901

LG 2/28
Jm 2/28/90

With a copy to:

7. Entire Agreement. This instrument supercedes all prior understandings and agreements of the parties hereto and contains the entire agreement of the parties and may not be amended or changed, except by an agreement in writing entered into by the parties hereto.

8. Applicable Law. This Agreement shall be governed by, and construed in accordance with, the laws of California.

IN WITNESS THEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

XEROX DESKTOP SOFTWARE, INC.

By: Larry J. Baker
Its: PRESIDENT

VENTURA SOFTWARE, INC.

By: John Meyer
Its: President

THIS AGREEMENT is made this 28th day of February, 1990, by and between JOHN H. MEYER a resident of California ("SHAREHOLDER"), and XEROX DESKTOP SOFTWARE, INC., a Delaware corporation ("Xerox").

WHEREAS, Xerox is proposing to enter into an agreement with Ventura Software, Inc. ("Ventura") for the purchase of certain of the assets of that corporation; and

WHEREAS, the assets of Ventura include certain unique software products in the development and marketing of which SHAREHOLDER has for some time been involved;and

WHEREAS, SHAREHOLDER is a substantial Shareholder in Ventura and will gain substantially from Xerox's purchase of the assets of Ventura;and

WHEREAS, the execution and delivery of this Agreement are conditions precedent to the consummation of the transactions contemplated in the Software Acquisition Agreement; and

WHEREAS, SHAREHOLDER wishes Xerox to enter into the Software Acquisition Agreement;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by Xerox and SHAREHOLDER the parties hereto agree as follows:

1. Covenant Not to Compete and Term Thereof.

(a) SHAREHOLDER shall not engage, directly or indirectly, whether as principal, agent, consultant, owner, partner, joint venturer or otherwise (provided that ownership of a direct or indirect equity interest of 20% or less in any entity for an interest acquired after the date hereof, or an interest of 50% or less acquired prior to the date of this Agreement, shall be permitted), anywhere in the world, in a business which designs, manufactures, assembled, markets, sells or distributes any product which has substantially the same functions or features in the page make-up or page composition areas as (1) the Ventura products transferred or to be transferred under the Software Acquisition Agreement; or (2) any graphic word processing product on sale prior to December 1, 1990. As an illustration and without limiting the generality of the foregoing, SHAREHOLDER would not be considered to have breached this covenant if, for example, he engaged in the business of developing or marketing a drawing package such as Adobe Illustrator, a spreadsheet such as Excel, a communications package such as Crosstalk or a graphing package such as Freelance. SHAREHOLDER shall not be prohibited from creating products which require Ventura Publisher or work in conjunction with Ventura Publisher.

(b) The term of the covenants contained in (a) above shall be three (3) years from the date of the last payment made pursuant to the Software Purchase Agreement, dated February 28, 1990 but in no event, shall the three year period commence later than December 1, 1990.

2. Necessity of Protection. The necessity of protection against the competition of SHAREHOLDER and the nature and scope of such protection has been carefully considered by the parties hereto. The parties hereto agree and acknowledge that the duration, scope and geographic areas applicable to the covenant not to compete described in this Agreement are fair, reasonable and necessary, that adequate compensation has been received by SHAREHOLDER for such obligations, and that without such obligations Xerox would not purchase the Business. If, however, for any reason any court determines that the restrictions in this Agreement are not reasonable or that consideration is inadequate, such restrictions shall be interpreted, modified or rewritten to include as much of the duration, scope and geographic area identified in this Agreement as will render such restrictions valid and enforceable.SHAREHOLDER acknowledges that the remedy at law would be inadequate and that Xerox shall be entitled, to an injunction restraining such breach upon the commencement of any suit therefor by Xerox , in addition to monetary damages and any other remedy available at law or in equity.

3. Transferability. The parties hereto agree that this Agreement shall inure to the benefit of Xerox and its successors and assigns, and shall be fully transferable and assignable by Xerox in connection with the transfer of substantially all of the Business. Upon such transfer or assignment, this Agreement shall remain in full force and effect, under the terms herein, between SHAREHOLDER and such transferees, assignees or successors-in-interest.

4. Waiver. The waiver by either party to this Agreement of a breach by the other party of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach by the other party. No waiver of any provision of this Agreement shall be effective, unless in writing and signed by the party waiving its rights, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

5. Notices. All notices, requests, demands and other communications given by any party hereto shall be in writing and shall be deemed to be duly given if delivered, or if mailed first class, return receipt requested, addressed as follows:

(a) If to Xerox:

XeroxDesktop Software Inc.
15175 Inovation Drive
San Diego, CA 92128

With a copy to:

Xerox Corporation
800 Long Ridge Road
Stamford, Connecticut 06904
Attention:General Counsel

(b) If to SHAREHOLDER: John Meyer
25665 Tierra Grande
Carmel, CA 93923

LG 2/28
JM 2/28/90

With a copy to:

6. Entire Agreement. This instrument supercedes all prior understandings and agreements of the parties hereto and contains the entire agreement of the parties and may not be amended or changed, except by an agreement in writing entered into by the parties hereto.

7. Applicable Law. This Agreement shall be governed by, and construed in accordance with, the laws of California.

IN WITNESS THEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

XEROX DESKTOP SOFTWARE, INC.

By: Jerry J. Tobias

Its: PRESIDENT

SHAREHOLDER

John Myers

THIS AGREEMENT is made this 28th day of February, 1990, by and between LEE LORENZEN a resident of California ("SHAREHOLDER"), and XEROX DESKTOP SOFTWARE, INC., a Delaware corporation ("Xerox").

WHEREAS, Xerox is proposing to enter into an agreement with Ventura Software, Inc. ("Ventura") for the purchase of certain of the assets of that corporation; and

WHEREAS, the assets of Ventura include certain unique software products in the development and marketing of which SHAREHOLDER has for some time been involved;and

WHEREAS, SHAREHOLDER is a substantial Shareholder in Ventura and will gain substantially from Xerox's purchase of the assets of Ventura;and

WHEREAS, the execution and delivery of this Agreement are conditions precedent to the consummation of the transactions contemplated in the Software Acquisition Agreement; and

WHEREAS, SHAREHOLDER wishes Xerox to enter into the Software Acquisition Agreement;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by Xerox and SHAREHOLDER the parties hereto agree as follows:

1. Covenant Not to Compete and Term Thereof.

(a) SHAREHOLDER shall not engage, directly or indirectly, whether as principal, agent, consultant, owner, partner, joint venturer or otherwise (provided that ownership of a direct or indirect equity interest of 20% or less in any entity for an interest acquired after the date hereof, or an interest of 50% or less acquired prior to the date of this Agreement, shall be permitted), anywhere in the world, in a business which designs, manufactures, assembled, markets, sells or distributes any product which has substantially the same functions or features in the page make-up or page composition areas as (1) the Ventura products transferred or to be transferred under the Software Acquisition Agreement; or (2) any graphic word processing product on sale prior to December 1, 1990. As an illustration and without limiting the generality of the foregoing, SHAREHOLDER would not be considered to have breached this covenant if, for example, he engaged in the business of developing or marketing a drawing package such as Adobe Illustrator, a spreadsheet such as Excel, a communications package such as Crosstalk or a graphing package such as Freelance. SHAREHOLDER shall not be prohibited from creating products which require Ventura Publisher or work in conjunction with Ventura Publisher.

(b) The term of the covenants contained in (a) above shall be three (3) years from the date of the last payment made pursuant to the Software Purchase Agreement, dated Feb. 28 1990 but in no event, shall the three year period commence later than December 1, 1990.

2. Necessity of Protection. The necessity of protection against the competition of SHAREHOLDER and the nature and scope of such protection has been carefully considered by the parties hereto. The parties hereto agree and acknowledge that the duration, scope and geographic areas applicable to the covenant not to compete described in this Agreement are fair, reasonable and necessary, that adequate compensation has been received by SHAREHOLDER for such obligations, and that without such obligations Xerox would not purchase the Business. If, however, for any reason any court determines that the restrictions in this Agreement are not reasonable or that consideration is inadequate, such restrictions shall be interpreted, modified or rewritten to include as much of the duration, scope and geographic area identified in this Agreement as will render such restrictions valid and enforceable.SHAREHOLDER acknowledges that the remedy at law would be inadequate and that Xerox shall be entitled, to an injunction restraining such breach upon the commencement of any suit therefor by Xerox , in addition to monetary damages and any other remedy available at law or in equity.

3. Transferability. The parties hereto agree that this Agreement shall inure to the benefit of Xerox and its successors and assigns, and shall be fully transferable and assignable by Xerox in connection with the transfer of substantially all of the Business. Upon such transfer or assignment, this Agreement shall remain in full force and effect, under the terms herein, between SHAREHOLDER and such transferees, assignees or successors-in-interest.

4. Waiver. The waiver by either party to this Agreement of a breach by the other party of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach by the other party. No waiver of any provision of this Agreement shall be effective, unless in writing and signed by the party waiving its rights, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

5. Notices. All notices, requests, demands and other communications given by any party hereto shall be in writing and shall be deemed to be duly given if delivered, or if mailed first class, return receipt requested, addressed as follows:

(a) If to Xerox:

XeroxDesktop Software Inc.
15175 Inovation Drive
San Diego, CA 92128

With a copy to:

Xerox Corporation
800 Long Ridge Road
Stamford, Connecticut 06904
Attention:General Counsel

(b) If to SHAREHOLDER:

LEE LORENZEN
619 SPAZIER
PACIFIC GROVE, CA 93950

With a copy to:

6. Entire Agreement. This instrument supercedes all prior understandings and agreements of the parties hereto and contains the entire agreement of the parties and may not be amended or changed, except by an agreement in writing entered into by the parties hereto.

7. Applicable Law. This Agreement shall be governed by, and construed in accordance with, the laws of California.

IN WITNESS THEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

XEROX DESKTOP SOFTWARE, INC.

By: Larry J. Lichard

Its: PRESIDENT

SHAREHOLDER

THIS AGREEMENT is made this 28th day of February, 1990, by and between DON HEISKELL a resident of California ("SHAREHOLDER"), and XEROX DESKTOP SOFTWARE, INC., a Delaware corporation ("Xerox").

WHEREAS, Xerox is proposing to enter into an agreement with Ventura Software, Inc. ("Ventura") for the purchase of certain of the assets of that corporation; and

WHEREAS, the assets of Ventura include certain unique software products in the development and marketing of which SHAREHOLDER has for some time been involved;and

WHEREAS, SHAREHOLDER is a substantial Shareholder in Ventura and will gain substantially from Xerox's purchase of the assets of Ventura;and

WHEREAS, the execution and delivery of this Agreement are conditions precedent to the consummation of the transactions contemplated in the Software Acquisition Agreement; and

WHEREAS, SHAREHOLDER wishes Xerox to enter into the Software Acquisition Agreement;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by Xerox and SHAREHOLDER the parties hereto agree as follows:

1. Covenant Not to Compete and Term Thereof.

(a) SHAREHOLDER shall not engage, directly or indirectly, whether as principal, agent, consultant, owner, partner, joint venturer or otherwise (provided that ownership of a direct or indirect equity interest of 20% or less in any entity for an interest acquired after the date hereof, or an interest of 50% or less acquired prior to the date of this Agreement, shall be permitted), anywhere in the world, in a business which designs, manufactures, assembled, markets, sells or distributes any product which has substantially the same functions or features in the page make-up or page composition areas as (1) the Ventura products transferred or to be transferred under the Software Acquisition Agreement; or (2) any graphic word processing product on sale prior to December 1, 1990. As an illustration and without limiting the generality of the foregoing, SHAREHOLDER would not be considered to have breached this covenant if, for example, he engaged in the business of developing or marketing a drawing package such as Adobe Illustrator, a spreadsheet such as Excel, a communications package such as Crosstalk or a graphing package such as Freelance. SHAREHOLDER shall not be prohibited from creating products which require Ventura Publisher or work in conjunction with Ventura Publisher.

(b) The term of the covenants contained in (a) above shall be three (3) years from the date of the last payment made pursuant to the Software Purchase Agreement, dated Feb 28 1990 DAH but in no event, shall the three year period commence later than December 1, 1990.

LG 2/28

2. Necessity of Protection. The necessity of protection against the competition of SHAREHOLDER and the nature and scope of such protection has been carefully considered by the parties hereto. The parties hereto agree and acknowledge that the duration, scope and geographic areas applicable to the covenant not to compete described in this Agreement are fair, reasonable and necessary, that adequate compensation has been received by SHAREHOLDER for such obligations, and that without such obligations Xerox would not purchase the Business. If, however, for any reason any court determines that the restrictions in this Agreement are not reasonable or that consideration is inadequate, such restrictions shall be interpreted, modified or rewritten to include as much of the duration, scope and geographic area identified in this Agreement as will render such restrictions valid and enforceable.SHAREHOLDER acknowledges that the remedy at law would be inadequate and that Xerox shall be entitled, to an injunction restraining such breach upon the commencement of any suit therefor by Xerox , in addition to monetary damages and any other remedy available at law or in equity.

3. Transferability. The parties hereto agree that this Agreement shall inure to the benefit of Xerox and its successors and assigns, and shall be fully transferable and assignable by Xerox in connection with the transfer of substantially all of the Business. Upon such transfer or assignment, this Agreement shall remain in full force and effect, under the terms herein, between SHAREHOLDER and such transferees, assignees or successors-in-interest.

4. Waiver. The waiver by either party to this Agreement of a breach by the other party of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach by the other party. No waiver of any provision of this Agreement shall be effective, unless in writing and signed by the party waiving its rights, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

5. Notices. All notices, requests, demands and other communications given by any party hereto shall be in writing and shall be deemed to be duly given if delivered, or if mailed first class, return receipt requested, addressed as follows:

(a) If to Xerox:

XeroxDesktop Software Inc.
15175 Inovation Drive
San Diego, CA 92128

With a copy to:

Xerox Corporation
800 Long Ridge Road
Stamford, Connecticut 06904
Attention:General Counsel

(b) If to SHAREHOLDER:
10 Los Robles
Carmel Valley CA 93924
With a copy to:

6. Entire Agreement. This instrument supercedes all prior understandings and agreements of the parties hereto and contains the entire agreement of the parties and may not be amended or changed, except by an agreement in writing entered into by the parties hereto.

7. Applicable Law. This Agreement shall be governed by, and construed in accordance with, the laws of California.

IN WITNESS THEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

XEROX DESKTOP SOFTWARE, INC.

By: Jerry J. Jackson

Its: PRESIDENT

SHAREHOLDER

Ron Hanna

THIS AGREEMENT is made this 28th day of February, 1990, by and between John Grant ,a resident of California ("Grant"), and XEROX DESKTOP SOFTWARE, INC., a Delaware corporation ("Xerox").

WHEREAS, Xerox is proposing to enter into an agreement with Ventura Software, Inc. ("Ventura") for the purchase of certain of the assets of that corporation; and

WHEREAS, the assets of Ventura include certain unique software products in the development and marketing of which Grant has for some time been involved;and

WHEREAS, Grant will gain substantially from Xerox's purchase of the assets of Ventura;and

WHEREAS, the execution and delivery of this Agreement are conditions precedent to the consummation of the transactions contemplated in the Software Acquistion Agreement; and

WHEREAS, Grant wishes Xerox to enter into the Software Acquisition Agreement;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by Xerox and Grant the parties hereto agree as follows:

1. Covenant Not to Compete and Term Thereof.

(a) Grant shall not engage, directly or indirectly, whether as principal, employee,agent, consultant or otherwise, or have any direct or indirect equity interest in excess of 20% for an interest acquired after the date hereof, or a controlling interest no matter when acquired, whether as owner, partner, joint venturer or otherwise, anywhere in the world, in any business which directly competes with the business of Ventura Software, Inc or Xerox Desktop Software as of the date of this agreement.

(b) The term of the covenants contained in (a) above shall be until January 1, 1992.

2. Necessity of Protection. The necessity of protection against the competition of Grant and the nature and scope of such protection has been carefully considered by the parties hereto. The parties hereto agree and acknowledge that the duration, scope and geographic areas applicable to the covenant not to compete described in this Agreement are fair, reasonable and necessary, that adequate compensation has been received by Grant for such obligations, and that without such obligations Xerox would not purchase the Business. If, however, for any reason any court determines that the restrictions in this Agreement are not reasonable or that consideration is inadequate, such restrictions shall be interpreted, modified or rewritten to include as much of the duration, scope and geographic area identified in this Agreement as will render such restrictions valid and enforceable.Grant acknowledges that the remedy at law would be inadequate and that Xerox shall be

entitled, to an injunction restraining such breach upon the commencement of any suit therefor by Xerox , in addition to monetary damages and any other remedy available at law or in equity.

4. Transferability. The parties hereto agree that this Agreement shall inure to the benefit of Xerox and its successors and assigns, and shall be fully transferable and assignable by Xerox in connection with the transfer of substantially all of the Business. Upon such transfer or assignment, this Agreement shall remain in full force and effect, under the terms herein, between Grant and such transferees, assignees or successors-in-interest.

5. Waiver. The waiver by either party to this Agreement of a breach by the other party of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach by the other party. No waiver of any provision of this Agreement shall be effective, unless in writing and signed by the party waiving its rights, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

6. Notices. All notices, requests, demands and other communications given by any party hereto shall be in writing and shall be deemed to be duly given if delivered, or if mailed first class, return receipt requested, addressed as follows:

(a) If to Xerox:

Xerox Desktop Software, Inc.
15175 Innovation Drive
San Diego, CA 92128

With a copy to:

Xerox Corporation
800 Long Ridge Road
Stamford, Connecticut 06904
Attention: General Counsel

(b) If to Grant:
7385 Leatwood Drive
Salinas, Ca. 93907
With a copy to:

7. Entire Agreement. This instrument supercedes all prior understandings and agreements of the parties hereto and contains the entire agreement of the parties and may not be amended or changed, except by an agreement in writing entered into by the parties hereto.

8. Applicable Law. This Agreement shall be governed by, and construed in accordance with, the laws of California.

IN WITNESS THEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

XEROX DESKTOP SOFTWARE, INC.

By: Jerry J. Jelinek

Its: PRESIDENT

JOHN GRANT

John Grant

THIS AGREEMENT is made this 28th day of February, 1990, by and between Loren Lorenzen a resident of California ("SHAREHOLDER"), and XEROX DESKTOP SOFTWARE, INC., a Delaware corporation ("Xerox").

WHEREAS, Xerox is proposing to enter into an agreement with Ventura Software, Inc. ("Ventura") for the purchase of certain of the assets of that corporation; and

WHEREAS, the assets of Ventura include certain unique software products in the development and marketing of which SHAREHOLDER has for some time been involved;and

WHEREAS, SHAREHOLDER is a substantial Shareholder in Ventura and will gain substantially from Xerox's purchase of the assets of Ventura;and

WHEREAS, the execution and delivery of this Agreement are conditions precedent to the consummation of the transactions contemplated in the Software Acquisition Agreement; and

WHEREAS, SHAREHOLDER wishes Xerox to enter into the Software Acquisition Agreement;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by Xerox and SHAREHOLDER the parties hereto agree as follows:

1. Covenant Not to Compete and Term Thereof.

(a) SHAREHOLDER shall not engage, directly or indirectly, whether as principal, agent, consultant, owner, partner, joint venturer or otherwise (provided that ownership of a direct or indirect equity interest of 20% or less in any entity for an interest acquired after the date hereof, or an interest of 50% or less acquired prior to the date of this Agreement, shall be permitted), anywhere in the world, in a business which designs, manufactures, assembled, markets, sells or distributes any product which has substantially the same functions or features in the page make-up or page composition areas as (1) the Ventura products transferred or to be transferred under the Software Acquisition Agreement; or (2) any graphic word processing product on sale prior to December 1, 1990. As an illustration and without limiting the generality of the foregoing, SHAREHOLDER would not be considered to have breached this covenant if, for example, he engaged in the business of developing or marketing a drawing package such as Adobe Illustrator, a spreadsheet such as Excel, a communications package such as Crosstalk or a graphing package such as Freelance. SHAREHOLDER shall not be prohibited from creating products which require Ventura Publisher or work in conjunction with Ventura Publisher.

(b) The term of the covenants contained in (a) above shall be three (3) years from the date of the last payment made pursuant to the Software Purchase Agreement, dated but in no event, shall the three year period commence later than December 1, 1990.

2. Necessity of Protection. The necessity of protection against the competition of SHAREHOLDER and the nature and scope of such protection has been carefully considered by the parties hereto. The parties hereto agree and acknowledge that the duration, scope and geographic areas applicable to the covenant not to compete described in this Agreement are fair, reasonable and necessary, that adequate compensation has been received by SHAREHOLDER for such obligations, and that without such obligations Xerox would not purchase the Business. If, however, for any reason any court determines that the restrictions in this Agreement are not reasonable or that consideration is inadequate, such restrictions shall be interpreted, modified or rewritten to include as much of the duration, scope and geographic area identified in this Agreement as will render such restrictions valid and enforceable.SHAREHOLDER acknowledges that the remedy at law would be inadequate and that Xerox shall be entitled, to an injunction restraining such breach upon the commencement of any suit therefor by Xerox , in addition to monetary damages and any other remedy available at law or in equity.

3. Transferability. The parties hereto agree that this Agreement shall inure to the benefit of Xerox and its successors and assigns, and shall be fully transferable and assignable by Xerox in connection with the transfer of substantially all of the Business. Upon such transfer or assignment, this Agreement shall remain in full force and effect, under the terms herein, between SHAREHOLDER and such transferees, assignees or successors-in-interest.

4. Waiver. The waiver by either party to this Agreement of a breach by the other party of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach by the other party. No waiver of any provision of this Agreement shall be effective, unless in writing and signed by the party waiving its rights, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

5. Notices. All notices, requests, demands and other communications given by any party hereto shall be in writing and shall be deemed to be duly given if delivered, or if mailed first class, return receipt requested, addressed as follows:

(a) If to Xerox:

XeroxDesktop Software Inc.
15175 Inovation Drive
San Diego, CA 92128

With a copy to:

Xerox Corporation
800 Long Ridge Road
Stamford, Connecticut 06904
Attention:General Counsel

(b) If to SHAREHOLDER: Loren Lorenzen
171 Glen Lake Dr.
Pacific Grove, CA 93950

With a copy to:

6. Entire Agreement. This instrument supercedes all prior understandings and agreements of the parties hereto and contains the entire agreement of the parties and may not be amended or changed, except by an agreement in writing entered into by the parties hereto.

7. Applicable Law. This Agreement shall be governed by, and construed in accordance with, the laws of California.

IN WITNESS THEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

XEROX DESKTOP SOFTWARE, INC.

By: Gary J. Eckhardt

Its: PRESIDENT

SHAREHOLDER

Loren Lorenzin

THIS AGREEMENT is made this 28th day of February, 1990, by and between Kevin Holmes a resident of Texas ("SHAREHOLDER"), and XEROX DESKTOP SOFTWARE, INC., a Delaware corporation ("Xerox").

WHEREAS, Xerox is proposing to enter into an agreement with Ventura Software, Inc. ("Ventura") for the purchase of certain of the assets of that corporation; and

WHEREAS, the assets of Ventura include certain unique software products in the development and marketing of which SHAREHOLDER has for some time been involved;and

WHEREAS, SHAREHOLDER is a substantial Shareholder in Ventura and will gain substantially from Xerox's purchase of the assets of Ventura;and

WHEREAS, the execution and delivery of this Agreement are conditions precedent to the consummation of the transactions contemplated in the Software Acquisition Agreement; and

WHEREAS, SHAREHOLDER wishes Xerox to enter into the Software Acquisition Agreement;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by Xerox and SHAREHOLDER the parties hereto agree as follows:

1. Covenant Not to Compete and Term Thereof.

(a) SHAREHOLDER shall not engage, directly or indirectly, whether as principal, agent, consultant, owner, partner, joint venturer or otherwise (provided that ownership of a direct or indirect equity interest of 20% or less in any entity for an interest acquired after the date hereof, or an interest of 50% or less acquired prior to the date of this Agreement, shall be permitted), anywhere in the world, in a business which designs, manufactures, assembled, markets, sells or distributes any product which has substantially the same functions or features in the page make-up or page composition areas as (1) the Ventura products transferred or to be transferred under the Software Acquisition Agreement; or (2) any graphic word processing product on sale prior to December 1, 1990. As an illustration and without limiting the generality of the foregoing, SHAREHOLDER would not be considered to have breached this covenant if, for example, he engaged in the business of developing or marketing a drawing package such as Adobe Illustrator, a spreadsheet such as Excel, a communications package such as Crosstalk or a graphing package such as Freelance. SHAREHOLDER shall not be prohibited from creating products which require Ventura Publisher or work in conjunction with Ventura Publisher.

(b) The term of the covenants contained in (a) above shall be three (3) years from the date of the last payment made pursuant to the Software Purchase Agreement, dated but in no event, shall the three year period commence later than December 1, 1990.

2. Necessity of Protection. The necessity of protection against the competition of SHAREHOLDER and the nature and scope of such protection has been carefully considered by the parties hereto. The parties hereto agree and acknowledge that the duration, scope and geographic areas applicable to the covenant not to compete described in this Agreement are fair, reasonable and necessary, that adequate compensation has been received by SHAREHOLDER for such obligations, and that without such obligations Xerox would not purchase the Business. If, however, for any reason any court determines that the restrictions in this Agreement are not reasonable or that consideration is inadequate, such restrictions shall be interpreted, modified or rewritten to include as much of the duration, scope and geographic area identified in this Agreement as will render such restrictions valid and enforceable.SHAREHOLDER acknowledges that the remedy at law would be inadequate and that Xerox shall be entitled, to an injunction restraining such breach upon the commencement of any suit therefor by Xerox , in addition to monetary damages and any other remedy available at law or in equity.

3. Transferability. The parties hereto agree that this Agreement shall inure to the benefit of Xerox and its successors and assigns, and shall be fully transferable and assignable by Xerox in connection with the transfer of substantially all of the Business. Upon such transfer or assignment, this Agreement shall remain in full force and effect, under the terms herein, between SHAREHOLDER and such transferees, assignees or successors-in-interest.

4. Waiver. The waiver by either party to this Agreement of a breach by the other party of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach by the other party. No waiver of any provision of this Agreement shall be effective, unless in writing and signed by the party waiving its rights, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

5. Notices. All notices, requests, demands and other communications given by any party hereto shall be in writing and shall be deemed to be duly given if delivered, or if mailed first class, return receipt requested, addressed as follows:

(a) If to Xerox:

XeroxDesktop Software Inc.
15175 Inovation Drive
San Diego, CA 92128

With a copy to:

Xerox Corporation
800 Long Ridge Road
Stamford, Connecticut 06904
Attention:General Counsel

(b) If to SHAREHOLDER: Kevin Holmes
P.O. Box 1851
APO, NY 09009

With a copy to:

6. Entire Agreement. This instrument supercedes all prior understandings and agreements of the parties hereto and contains the entire agreement of the parties and may not be amended or changed, except by an agreement in writing entered into by the parties hereto.

7. Applicable Law. This Agreement shall be governed by, and construed in accordance with, the laws of California.

IN WITNESS THEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

XEROX DESKTOP SOFTWARE, INC.

By: Jerry J. Mallard

Its: PRESIDENT

SHAREHOLDER

Kevin W. Holmes

THIS AGREEMENT is made this 28th day of February, 1990, by and between Jay Lorenzen a resident of Tennessee ("SHAREHOLDER"), and XEROX DESKTOP SOFTWARE, INC., a Delaware corporation ("Xerox").

WHEREAS, Xerox is proposing to enter into an agreement with Ventura Software, Inc. ("Ventura") for the purchase of certain of the assets of that corporation; and

WHEREAS, the assets of Ventura include certain unique software products in the development and marketing of which SHAREHOLDER has for some time been involved;and

WHEREAS, SHAREHOLDER is a substantial Shareholder in Ventura and will gain substantially from Xerox's purchase of the assets of Ventura;and

WHEREAS, the execution and delivery of this Agreement are conditions precedent to the consummation of the transactions contemplated in the Software Acquisition Agreement; and

WHEREAS, SHAREHOLDER wishes Xerox to enter into the Software Acquisition Agreement;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by Xerox and SHAREHOLDER the parties hereto agree as follows:

1. Covenant Not to Compete and Term Thereof.

(a) SHAREHOLDER shall not engage, directly or indirectly, whether as principal, agent, consultant, owner, partner, joint venturer or otherwise (provided that ownership of a direct or indirect equity interest of 20% or less in any entity for an interest acquired after the date hereof, or an interest of 50% or less acquired prior to the date of this Agreement, shall be permitted), anywhere in the world, in a business which designs, manufactures, assembled, markets, sells or distributes any product which has substantially the same functions or features in the page make-up or page composition areas as (1) the Ventura products transferred or to be transferred under the Software Acquisition Agreement; or (2) any graphic word processing product on sale prior to December 1, 1990. As an illustration and without limiting the generality of the foregoing, SHAREHOLDER would not be considered to have breached this covenant if, for example, he engaged in the business of developing or marketing a drawing package such as Adobe Illustrator, a spreadsheet such as Excel, a communications package such as Crosstalk or a graphing package such as Freelance. SHAREHOLDER shall not be prohibited from creating products which require Ventura Publisher or work in conjunction with Ventura Publisher.

(b) The term of the covenants contained in (a) above shall be three (3) years from the date of the last payment made pursuant to the Software Purchase Agreement, dated but in no event, shall the three year period commence later than December 1, 1990.

2. Necessity of Protection. The necessity of protection against the competition of SHAREHOLDER and the nature and scope of such protection has been carefully considered by the parties hereto. The parties hereto agree and acknowledge that the duration, scope and geographic areas applicable to the covenant not to compete described in this Agreement are fair, reasonable and necessary, that adequate compensation has been received by SHAREHOLDER for such obligations, and that without such obligations Xerox would not purchase the Business. If, however, for any reason any court determines that the restrictions in this Agreement are not reasonable or that consideration is inadequate, such restrictions shall be interpreted, modified or rewritten to include as much of the duration, scope and geographic area identified in this Agreement as will render such restrictions valid and enforceable.SHAREHOLDER acknowledges that the remedy at law would be inadequate and that Xerox shall be entitled, to an injunction restraining such breach upon the commencement of any suit therefor by Xerox , in addition to monetary damages and any other remedy available at law or in equity.

3. Transferability. The parties hereto agree that this Agreement shall inure to the benefit of Xerox and its successors and assigns, and shall be fully transferable and assignable by Xerox in connection with the transfer of substantially all of the Business. Upon such transfer or assignment, this Agreement shall remain in full force and effect, under the terms herein, between SHAREHOLDER and such transferees, assignees or successors-in-interest.

4. Waiver. The waiver by either party to this Agreement of a breach by the other party of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach by the other party. No waiver of any provision of this Agreement shall be effective, unless in writing and signed by the party waiving its rights, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

5. Notices. All notices, requests, demands and other communications given by any party hereto shall be in writing and shall be deemed to be duly given if delivered, or if mailed first class, return receipt requested, addressed as follows:

(a) If to Xerox:

XeroxDesktop Software Inc.
15175 Inovation Drive
San Diego, CA 92128

With a copy to:

Xerox Corporation
800 Long Ridge Road
Stamford, Connecticut 06904
Attention:General Counsel

(b) If to SHAREHOLDER: Jay Lorenzen
1010 Bixby Dr.
Colorado Springs, CO 80921

With a copy to:

6. Entire Agreement. This instrument supercedes all prior understandings and agreements of the parties hereto and contains the entire agreement of the parties and may not be amended or changed, except by an agreement in writing entered into by the parties hereto.

7. Applicable Law. This Agreement shall be governed by, and construed in accordance with, the laws of California.

IN WITNESS THEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

XEROX DESKTOP SOFTWARE, INC.

By: Jerry J. Jerbad

Its: PRESIDENT

SHAREHOLDER

Jay Lorenz

THIS AGREEMENT is made this 28th day of February, 1990, by and between Gary Lorenzen a resident of Texas ("SHAREHOLDER"), and XEROX DESKTOP SOFTWARE, INC., a Delaware corporation ("Xerox").

WHEREAS, Xerox is proposing to enter into an agreement with Ventura Software, Inc. ("Ventura") for the purchase of certain of the assets of that corporation; and

WHEREAS, the assets of Ventura include certain unique software products in the development and marketing of which SHAREHOLDER has for some time been involved;and

WHEREAS, SHAREHOLDER is a substantial Shareholder in Ventura and will gain substantially from Xerox's purchase of the assets of Ventura;and

WHEREAS, the execution and delivery of this Agreement are conditions precedent to the consummation of the transactions contemplated in the Software Acquisition Agreement; and

WHEREAS, SHAREHOLDER wishes Xerox to enter into the Software Acquisition Agreement;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by Xerox and SHAREHOLDER the parties hereto agree as follows:

1. Covenant Not to Compete and Term Thereof.

(a) SHAREHOLDER shall not engage, directly or indirectly, whether as principal, agent, consultant, owner, partner, joint venturer or otherwise (provided that ownership of a direct or indirect equity interest of 20% or less in any entity for an interest acquired after the date hereof, or an interest of 50% or less acquired prior to the date of this Agreement, shall be permitted), anywhere in the world, in a business which designs, manufactures, assembled, markets, sells or distributes any product which has substantially the same functions or features in the page make-up or page composition areas as (1) the Ventura products transferred or to be transferred under the Software Acquisition Agreement; or (2) any graphic word processing product on sale prior to December 1, 1990. As an illustration and without limiting the generality of the foregoing, SHAREHOLDER would not be considered to have breached this covenant if, for example, he engaged in the business of developing or marketing a drawing package such as Adobe Illustrator, a spreadsheet such as Excel, a communications package such as Crosstalk or a graphing package such as Freelance. SHAREHOLDER shall not be prohibited from creating products which require Ventura Publisher or work in conjunction with Ventura Publisher.

(b) The term of the covenants contained in (a) above shall be three (3) years from the date of the last payment made pursuant to the Software Purchase Agreement, dated but in no event, shall the three year period commence later than December 1, 1990.

2. Necessity of Protection. The necessity of protection against the competition of SHAREHOLDER and the nature and scope of such protection has been carefully considered by the parties hereto. The parties hereto agree and acknowledge that the duration, scope and geographic areas applicable to the covenant not to compete described in this Agreement are fair, reasonable and necessary, that adequate compensation has been received by SHAREHOLDER for such obligations, and that without such obligations Xerox would not purchase the Business. If, however, for any reason any court determines that the restrictions in this Agreement are not reasonable or that consideration is inadequate, such restrictions shall be interpreted, modified or rewritten to include as much of the duration, scope and geographic area identified in this Agreement as will render such restrictions valid and enforceable.SHAREHOLDER acknowledges that the remedy at law would be inadequate and that Xerox shall be entitled, to an injunction restraining such breach upon the commencement of any suit therefor by Xerox , in addition to monetary damages and any other remedy available at law or in equity.

3. Transferability. The parties hereto agree that this Agreement shall inure to the benefit of Xerox and its successors and assigns, and shall be fully transferable and assignable by Xerox in connection with the transfer of substantially all of the Business. Upon such transfer or assignment, this Agreement shall remain in full force and effect, under the terms herein, between SHAREHOLDER and such transferees, assignees or successors-in-interest.

4. Waiver. The waiver by either party to this Agreement of a breach by the other party of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach by the other party. No waiver of any provision of this Agreement shall be effective, unless in writing and signed by the party waiving its rights, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

5. Notices. All notices, requests, demands and other communications given by any party hereto shall be in writing and shall be deemed to be duly given if delivered, or if mailed first class, return receipt requested, addressed as follows:

(a) If to Xerox:

XeroxDesktop Software Inc.
15175 Inovation Drive
San Diego, CA 92128

With a copy to:

Xerox Corporation
800 Long Ridge Road
Stamford, Connecticut 06904
Attention:General Counsel

(b) If to SHAREHOLDER: Gary Lorenzen
1610 Elm St.
Bellevue, NE 68005

With a copy to:

6. Entire Agreement. This instrument supercedes all prior understandings and agreements of the parties hereto and contains the entire agreement of the parties and may not be amended or changed, except by an agreement in writing entered into by the parties hereto.

7. Applicable Law. This Agreement shall be governed by, and construed in accordance with, the laws of California.

IN WITNESS THEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

XEROX DESKTOP SOFTWARE, INC.

By: Jerry J. Kaplan

Its: PRESIDENT

SHAREHOLDER

Gary Hu

THIS AGREEMENT is made this 28th day of February, 1990, by and between F. Richard Meyer a resident of Illinois ("SHAREHOLDER"), and XEROX DESKTOP SOFTWARE, INC., a Delaware corporation ("Xerox").

WHEREAS, Xerox is proposing to enter into an agreement with Ventura Software, Inc. ("Ventura") for the purchase of certain of the assets of that corporation; and

WHEREAS, the assets of Ventura include certain unique software products in the development and marketing of which SHAREHOLDER has for some time been involved;and

WHEREAS, SHAREHOLDER is a substantial Shareholder in Ventura and will gain substantially from Xerox's purchase of the assets of Ventura;and

WHEREAS, the execution and delivery of this Agreement are conditions precedent to the consummation of the transactions contemplated in the Software Acquisition Agreement; and

WHEREAS, SHAREHOLDER wishes Xerox to enter into the Software Acquisition Agreement;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by Xerox and SHAREHOLDER the parties hereto agree as follows:

1. Covenant Not to Compete and Term Thereof.

(a) SHAREHOLDER shall not engage, directly or indirectly, whether as principal, agent, consultant, owner, partner, joint venturer or otherwise (provided that ownership of a direct or indirect equity interest of 20% or less in any entity for an interest acquired after the date hereof, or an interest of 50% or less acquired prior to the date of this Agreement, shall be permitted), anywhere in the world, in a business which designs, manufactures, assembled, markets, sells or distributes any product which has substantially the same functions or features in the page make-up or page composition areas as (1) the Ventura products transferred or to be transferred under the Software Acquisition Agreement; or (2) any graphic word processing product on sale prior to December 1, 1990. As an illustration and without limiting the generality of the foregoing, SHAREHOLDER would not be considered to have breached this covenant if, for example, he engaged in the business of developing or marketing a drawing package such as Adobe Illustrator, a spreadsheet such as Excel, a communications package such as Crosstalk or a graphing package such as Freelance. SHAREHOLDER shall not be prohibited from creating products which require Ventura Publisher or work in conjunction with Ventura Publisher.

(b) The term of the covenants contained in (a) above shall be three (3) years from the date of the last payment made pursuant to the Software Purchase Agreement, dated but in no event, shall the three year period commence later than December 1, 1990.

2. Necessity of Protection. The necessity of protection against the competition of SHAREHOLDER and the nature and scope of such protection has been carefully considered by the parties hereto. The parties hereto agree and acknowledge that the duration, scope and geographic areas applicable to the covenant not to compete described in this Agreement are fair, reasonable and necessary, that adequate compensation has been received by SHAREHOLDER for such obligations, and that without such obligations Xerox would not purchase the Business. If, however, for any reason any court determines that the restrictions in this Agreement are not reasonable or that consideration is inadequate, such restrictions shall be interpreted, modified or rewritten to include as much of the duration, scope and geographic area identified in this Agreement as will render such restrictions valid and enforceable.SHAREHOLDER acknowledges that the remedy at law would be inadequate and that Xerox shall be entitled, to an injunction restraining such breach upon the commencement of any suit therefor by Xerox , in addition to monetary damages and any other remedy available at law or in equity.

3. Transferability. The parties hereto agree that this Agreement shall inure to the benefit of Xerox and its successors and assigns, and shall be fully transferable and assignable by Xerox in connection with the transfer of substantially all of the Business. Upon such transfer or assignment, this Agreement shall remain in full force and effect, under the terms herein, between SHAREHOLDER and such transferees, assignees or successors-in-interest.

4. Waiver. The waiver by either party to this Agreement of a breach by the other party of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach by the other party. No waiver of any provision of this Agreement shall be effective, unless in writing and signed by the party waiving its rights, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

5. Notices. All notices, requests, demands and other communications given by any party hereto shall be in writing and shall be deemed to be duly given if delivered, or if mailed first class, return receipt requested, addressed as follows:

(a) If to Xerox:

XeroxDesktop Software Inc.
15175 Inovation Drive
San Diego, CA 92128

With a copy to:

Xerox Corporation
800 Long Ridge Road
Stamford, Connecticut 06904
Attention:General Counsel

(b) If to SHAREHOLDER: J. Richard Meyer, III
2502 Harris Bank
115 S. LaSalle Street
Chicago, IL 60603

With a copy to:

6. Entire Agreement. This instrument supercedes all prior understandings and agreements of the parties hereto and contains the entire agreement of the parties and may not be amended or changed, except by an agreement in writing entered into by the parties hereto.

7. Applicable Law. This Agreement shall be governed by, and construed in accordance with, the laws of California.

IN WITNESS THEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

XEROX DESKTOP SOFTWARE, INC.

By: Jerry J. Jelsad

Its: PRESIDENT

SHAREHOLDER

Richard Mayer II

TERMINATION AGREEMENT

THIS TERMINATION AGREEMENT ("Agreement") is made as of the 28th day of February, 1990, by and between Ventura Software, Inc., a California corporation ("Ventura"), and Xerox Corporation, a New York corporation ("Xerox").

R E C I T A L S

Ventura and Xerox entered into the Ventura Software Development and License Agreement, dated as of September 23, 1987 (the "License Agreement"), pursuant to which Ventura granted Xerox the exclusive worldwide marketing rights and distribution rights to certain products of Ventura. Ventura and Xerox Desktop Software, Inc., an affiliate of Xerox ("Xerox Desktop"), have entered into a Software Acquisition Agreement, dated as of the same day as this Agreement, pursuant to which Xerox Desktop has agreed to purchase and Ventura has agreed to sell the products licensed to Xerox under the License Agreement. Xerox and Ventura now wish to terminate the License Agreement.

NOW, THEREFORE, the parties agree as follows:

The License Agreement between Ventura and Xerox shall be terminated as of the date hereof and all rights and obligations thereunder shall cease. Neither party shall hereafter have any right, obligation or liability whatsoever under the License Agreement, whether accruing before or after the date hereof.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first written above.

VENTURA SOFTWARE, INC.,
a California corporation

By: John Meyer
John Meyer, Its President

XEROX CORPORATION,
a New York corporation

By: Austin E. Vanchieri
Name: Austin E. Vanchieri
Title: President
Xerox Information Products Division
3/7/90

TERMINATION AGREEMENT

THIS TERMINATION AGREEMENT ("Agreement") is made as of the 28th day of February, 1990, by and between Ventura Software, Inc., a California corporation ("Ventura"), and Xerox Corporation, a New York corporation ("Xerox").

R E C I T A L S

Ventura and Xerox entered into the Ventura Software Development and License Agreement, dated as of September 23, 1987 (the "License Agreement"), pursuant to which Ventura granted Xerox the exclusive worldwide marketing rights and distribution rights to certain products of Ventura. Ventura and Xerox Desktop Software, Inc., an affiliate of Xerox ("Xerox Desktop"), have entered into a Software Acquisition Agreement, dated as of the same day as this Agreement, pursuant to which Xerox Desktop has agreed to purchase and Ventura has agreed to sell the products licensed to Xerox under the License Agreement. Xerox and Ventura now wish to terminate the License Agreement.

NOW, THEREFORE, the parties agree as follows:

The License Agreement between Ventura and Xerox shall be terminated as of the date hereof and all rights and obligations thereunder shall cease. Neither party shall hereafter have any right, obligation or liability whatsoever under the License Agreement, whether accruing before or after the date hereof.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first written above.

VENTURA SOFTWARE, INC.,
a California corporation

By: _____
John Meyer, Its President

XEROX CORPORATION,
a New York corporation

By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first written above.

VENTURA SOFTWARE, INC.,
a California corporation

By: _____
John Meyer, Its President

XEROX CORPORATION,
a New York corporation

By: Austin E. VanChieri
Name: AUSTIN E. VANCHIERI
Title: PRES - IPD

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BILL OF SALE, ASSIGNMENT OF ASSETS
AND
ASSUMPTION OF LIABILITIES

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, VENTURA SOFTWARE, INC., a California corporation ("Ventura"), hereby sells, assigns, transfers and delivers to XEROX DESKTOP SOFTWARE, INC., a Delaware corporation ("Xerox"), certain software and related tangible and intangible assets developed or owned by or heretofore used in the business conducted by Ventura, as described in Exhibit A hereto and further described in the Software Acquisition Agreement by and between Ventura, as Seller, John Meyer, Don Heiskell and Lee Lorenzen, as principals, and Xerox, as Buyer, and dated as of the date hereof (the "Acquisition Agreement"), TO HAVE AND TO HOLD said assets and all rights belonging to or associated with the same. All tangible assets consisting of computer equipment and office equipment will be delivered to Xerox in their condition then existing and Xerox agrees to accept the same "as is with all faults" and that Ventura shall have no responsibility for repair and maintenance of such equipment until delivery.

Ventura will execute and deliver such additional instruments of transfer and will take such other action as Xerox may request in order to more effectively transfer any of the assets covered hereby.

IN WITNESS WHEREOF, the parties have entered into this Bill of Sale, Assignment of Assets and Assumption of Liabilities as of the 28th day of February, 1990.

VENTURA SOFTWARE, INC.,
a California corporation

By: _____
John Meyer, President

Xerox hereby accepts the foregoing assignment and assumes and agrees to pay and to perform any and all outstanding liabilities and obligations of Ventura arising out of the assets transferred, including without limitation the contracts and agreements referred to in Exhibit A.

XEROX DESKTOP SOFTWARE, INC.,
a Delaware corporation

By: _____
Name: LARRY J GERHARD
Title: PRESIDENT

EXHIBIT A
TO BILL OF SALE,
ASSIGNMENT OF ASSETS AND
ASSUMPTION OF LIABILITIES

(a) All of the Seller's interest in software, trade secrets, patents, knowhow, patent applications, inventions, algorithms, diagnostic routines, processes, logos, trademarks or service marks, registered or unregistered and applications therefor, copyrights and copyright applications as set forth in Schedule 1 hereto.

(b) All business files and records relating to or used in connection with the Software and certain computer equipment and other office equipment set forth in Schedule 1 hereto, to be transferred in accordance with the Acquisition Agreement.

(c) All right, title and interest of the Seller in and to the contracts and agreements set forth in Schedule 1 hereto; and

(d) All right, title and interest of the Seller in the name "Ventura," in any name incorporating the word "Ventura" including "Ventura Publisher," and in any other names, whether of product or otherwise, used in connection with the Seller's business.

SCHEDULE 1

I. Patents, Trademarks, Service Marks, and Copyrights

A. Trademarks and Tradenames.

1. **Ventura Publisher** (U.S. Registered Trademark No. 1,446,089, expires July 2007 unless sooner cancelled or abandoned.)

2. **Professional Extension** (U.S. Registered Trademark No. 1,548,070, expires July 2009 unless sooner cancelled or abandoned).

B. Copyrights

Work	Registration date
Ventura Publisher version 1.0	November 3, 1986
Ventura Publisher version 1.1/1.11	December 4, 1987
Ventura Network Server version 2.0	September 28, 1988
Ventura Publisher version 2.0	December 28, 1988
Ventura Publisher Professional Extension version 1.0	January 31, 1989

C. Computer Software

For Ventura Publisher, version 1.1, version 2.0, Professional Extension and Network Server, the versions current as of the date hereof of:

1. source code, on magnetic tape or discs (collectively, "magnetic media") or in documentary form;

2. object code, on magnetic media; and

3. any currently existing related manuals, logic diagrams, flow charts and other documentation relating thereto.

II. Equipment to be Transferred

1. Compaq 386 and VGA Monitor, SN 4809AQ3B0625

2. Compaq 386 and VGA Monitor, SN 4809AQB0239

3. Compaq 386 and VGA Monitor, SN

4. Compaq 386 portable, SN 4803AQ2B1102

5. Compaq 286 Deskpro, SN 455106180455

6. Compaq 286 Deskpro, SN 452406180188

7. Compaq Deskpro and CGA monitor SN 3508520057

8. Compaq Deskpro and CGA monitor SN 4517052B0422

9. Apple Laserwriter Plus printer SN A62773FRM0156

10. Apple Macintosh Plus and Monitor SN F7411BH

11. IBM System/2 Model 60 Computer and VGA monitor SN 72-80006993

III. Contracts

None.

ASSIGNMENT OF TRADEMARKS

For good and valuable consideration, receipt of which is hereby acknowledged, and pursuant to the Software Acquisition Agreement dated as of February 28, 1990 by and among Ventura Software, Inc., a California corporation ("Ventura"), John Meyer, Don Heiskell and Lee Lorenzen, and Xerox Desktop Software, Inc., a Delaware corporation, having its chief executive office at 15175 Innovation Drive, San Diego, CA 92128 ("Xerox"), Ventura hereby assigns, transfers and delivers to Xerox all its right, title and interest in and to the following trademarks:

1. Ventura Publisher (U.S. Registered Trademark No. 1,446,089, registered on July 7, 1987); and

2. Professional Extension (U.S. Registered Trademark No. 1,548,070, registered on July 18, 1989);

together with the goodwill of the business symbolized by such trademarks and the registration of such trademarks.

IN WITNESS WHEREOF, Ventura has caused this Assignment of Trademarks to be executed and delivered as of the 28th day of February, 1990.

VENTURA SOFTWARE, INC.

By: John Meyer
John Meyer
Its President

STATE OF CALIFORNIA)
)
COUNTY OF SAN FRANCISCO)

On this 28th day of February, 1990, personally appeared JOHN MEYER, known to me to be the President of the corporation that executed the within instrument on behalf of the corporation, and acknowledged to me that such corporation executed the same.

OFFICIAL SEAL
SUSAN J. PASSANISI
Notary Public-California
SAN FRANCISCO COUNTY
My Comm. Exp. Dec. 17, 1993

Susan J. Passanisi
Notary Public
Commission Expires 12/17/93

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ASSIGNMENT OF TRADEMARKS

For good and valuable consideration, receipt of which is hereby acknowledged, and pursuant to the Software Acquisition Agreement dated as of February 28, 1990 by and among Ventura Software, Inc., a California corporation ("Ventura"), John Meyer, Don Heiskell and Lee Lorenzen, and Xerox Desktop Software, Inc. a Delaware corporation having its chief executive office at San Diego, California ("XDS"), Ventura hereby assigns, transfers and delivers to Xerox all its right, title and interest worldwide to the trademark (including any pending applications and registrations if any) "Ventura Publisher", together with the goodwill of the business symbolized by such trademark and the registration of such trademark.

IN WITNESS WHEREOF, Ventura has caused this Assignment of Trademarks to be executed and delivered as of the28th day of February, 1990.

VENTURA SOFTWARE , INC

By: John Meyer
John Meyer
Its President

STATE OF CALIFORNIA

COUNTY OF San Francisco

On this 28th day of February, 1990, personally appeared JOHN MEYER, known to me to be the President of the corporation that executed the within instrument on behalf of the corporation, and acknowledged to me that such corporation executed the same.

Susan J. Passanisi
Notary Public
Commission Expires 12/17/93

OFFICIAL SEAL
SUSAN J. PASSANISI
Notary Public-California
SAN FRANCISCO COUNTY
My Comm. Exp. Dec. 17, 1993

ASSIGNMENT OF COPYRIGHTS

For good and valuable consideration, receipt of which is hereby acknowledged, and pursuant to the Software Acquisition Agreement dated as of February 28, 1990 by and among Ventura Software, Inc., a California corporation ("Ventura"), John Meyer, Don Heiskell and Lee Lorenzen, and Xerox Desktop Software, Inc., a Delaware corporation, having its chief executive office at 15175 Innovation Drive, San Diego, California 92128 ("Xerox") (the "Agreement"), Ventura hereby assigns, transfers and delivers to Xerox all its right, title and interest in and to the following copyrights:

Work	Registration Date
Ventura Publisher Version 1.0	November 3, 1986
Ventura Publisher Version 1.1/1.11	December 4, 1987
Ventura Publisher Network Server Version 2.0	September 28, 1988
Ventura Publisher Version 2.0	December 28, 1988
Ventura Publisher Professional Extension Version 1.0	January 31, 1989

The assignment, conveyance and transfer made hereunder is without representation or express or implied warranties of any kind or nature by Ventura except as expressly provided in the Agreement.

IN WITNESS WHEREOF, Ventura has caused this Assignment of Copyrights to be executed and delivered as of the 28th day of February, 1990.

VENTURA SOFTWARE, INC.

By: John Meyer
John Meyer
Its President

STATE OF CALIFORNIA)
)
COUNTY OF SAN FRANCISCO)

On this 28th day of February, 1990, personally appeared JOHN MEYER, known to me to be the President of the corporation that executed the within instrument on behalf of the corporation, and acknowledged to me that such corporation executed the same.

Susan J. Passanisi
Notary Public
Commission Expires 12/17/93

OFFICIAL SEAL
SUSAN J. PASSANISI
Notary Public-California
SAN FRANCISCO COUNTY
My Comm. Exp. Dec. 17, 1993

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02/27/90

GUARANTY

For valuable consideration, Xerox Corporation ("Guarantor") unconditionally and irrevocably guarantees, as principal and not as indemnitor, to Ventura Software, Inc. ("VSI"), acting on its own behalf and in its capacity as agent for John Meyer, Lee Lorenzen, Don Heiskell, John Grant, Loren Lorenzen, Kevin Holmes, Jay Lorenzen, Gary Lorenzen and F. Richard Meyer the due and punctual payment and performance of all covenants, agreements, indemnities, payments, debts and other obligations of Xerox Desktop Software, Inc. ("XDS") pursuant to the Software Acquisition Agreement dated as of February 28, 1990 between VSI and XDS (the "Acquisition Agreement"), and all documents called for therein (the "Guaranteed Obligations"). If XDS fails to pay or perform any of the Guaranteed Obligations as and when the same are due, Xerox shall immediately pay or perform the same.

The obligations hereunder are independent of the obligations of XDS and a separate action or actions may be brought and prosecuted against Guarantor whether or not action is brought against XDS and whether or not XDS is joined in any such action or actions; and Guarantor waives the benefit of any statute of limitations affecting its liability hereunder or the enforcement thereof to the extent permitted by law. Any part payment by XDS or other circumstance which operates to toll any statute of limitations as to XDS shall operate to toll the statute of limitations as to Guarantor.

Guarantor authorizes VSI, without notice or demand and without affecting its liability hereunder, from time to time to (a) renew, compromise, extend, accelerate or otherwise change the terms of the Guaranteed Obligations or any part thereof; (b) take and hold security for the payment or performance of this Guaranty or the Guaranteed Obligations and exchange, enforce, waive and release any such security and apply such security and direct the order or manner of sale thereof as VSI in its sole discretion may determine; and (c) release or substitute any one or more guarantors. VSI may without notice assign this Guaranty in whole or in part.

Guarantor hereby agrees that the Guaranteed Obligations will be paid, performed and observed strictly in accordance with their terms and strictly in accordance with the terms and provisions of the Acquisition Agreement, regardless of the enforceability thereof against XDS or any other party thereto, and regardless of any law, regulation or decree now or hereafter in effect which might in any manner affect the Guaranteed Obligations, or the rights of XDS with respect thereto. The obligations of Guarantor under this Guaranty are absolute, irrevocable and unconditional, without regard to the obligations of any other person, and not

subject to any counterclaim, offset, deduction, deferment, abatement, recoupment or other defense, except as provided in the Acquisition Agreement. Guarantor waives any defense arising by reason of any disability or defense of XDS or by reason of the cessation from any cause whatsoever of the liability of XDS, and agrees that Guarantor's obligations shall not be affected by the partial or complete illegality, unenforceability or invalidity of the Guaranteed Obligations or the Acquisition Agreement, or any other circumstance or condition.

Without limiting the generality of the foregoing, Guarantor agrees that its obligations and liability hereunder shall not be affected by any of the following, with or without notice to Guarantor: (a) the waiver by VSI of the performance or observance by XDS of any of the agreements, covenants, terms or conditions contained in the Acquisition Agreement; (b) the extension of the time for payment or performance of any amount or obligation under the Acquisition Agreement or this Guaranty; (c) any failure, omission, delay or lack on the part of VSI to perform, comply with, enforce, assert or exercise any obligation, right, power or remedy conferred on or to be performed by VSI under the Acquisition Agreement or this Guaranty, or any action on the part of VSI granting indulgence or extension in any form; (d) the voluntary or involuntary liquidation, dissolution, sale or other disposition of all or substantially all of the assets, marshalling of assets and liabilities, receivership, insolvency, bankruptcy, assignment for the benefit of creditors, reorganization, arrangement, composition or readjustment of, or other similar proceeding affecting XDS, Guarantor or any of their respective assets; (e) assignment of the Acquisition Agreement and/or the Software (as defined therein) by XDS, whether or not in compliance with the terms of the Acquisition Agreement, or assignment of the Acquisition Agreement or this Guaranty, in whole or in part, by VSI; (f) the release or discharge of XDS or Guarantor from the performance or observance of any agreement, covenant, term or condition contained in the Acquisition Agreement or this Guaranty by operation of law; (g) the acceptance by VSI of partial payment or performance or the full or partial recovery or payment of any judgment against XDS or Guarantor (except to the extent the Guaranteed Obligations have been paid or performed); (h) the sale or transfer or other disposition of the capital stock of XDS or any other change in the relationship or ownership between XDS and Guarantor or any termination of such relationship; (i) the amendment or modification of any terms or conditions of the Acquisition Agreement or this Guaranty; or (k) any circumstance which might otherwise constitute a legal or equitable discharge, release or defense of XDS under the Acquisition Agreement or of a surety or guarantor under applicable law. It is not necessary for VSI to inquire into the powers of XDS or the officers, directors, partners or agents acting or purporting to act on their behalf,

and any indebtedness, obligation or other action created or taken in reliance upon the professed exercise of such powers shall be guaranteed hereunder.

It is understood and agreed that, in the case of the bankruptcy or insolvency of XDS: (i) the claims of VSI against Guarantor hereunder shall not be limited by any provision of the Federal Bankruptcy Act or any similar or corresponding provision of any state or federal law; and (ii) in the case of the rejection, disaffirmance or termination of the Acquisition Agreement by or on behalf of XDS or its creditors in any receivership, bankruptcy, insolvency, arrangement, reorganization or other proceeding, Guarantor will pay to VSI amounts equal to all amounts otherwise payable under the Acquisition Agreement. Avoidance or reduction of any payment from XDS to VSI as a preference by virtue of any provisions of any bankruptcy, insolvency or liquidation laws of the United States or any other governmental unit, shall not affect Guarantor's obligations under this Guaranty. In the event of such avoidance or reduction, VSI shall be entitled to recover from the Guarantor the value of any payment so avoided or reduced, as if the avoidance or reduction had not occurred.

Guarantor waives any right to require VSI to (a) proceed against XDS; (b) proceed against or exhaust any security held from XDS; or (c) pursue any other remedy in VSI's power, whatsoever. VSI may, at its election, exercise any right or remedy it may have against XDS or any security held by VSI, including without limitation the right to foreclose upon any security by judicial or nonjudicial sale, without affecting or impairing in any way the liability of Guarantor hereunder except to the extent the Guaranteed Obligations have been performed and paid, and Guarantor waives any defense arising out of the absence, impairment or loss of any right of reimbursement or subrogation or other right or remedy of Guarantor against XDS or any such security, whether resulting from such election by VSI or otherwise.

Until all Guaranteed Obligations have been performed in full and all liability of XDS on account of the Guaranteed Obligations shall have been paid in full, Guarantor shall have no right of subrogation, and waives any right to enforce any remedy which VSI now has or may hereafter have against XDS, and waives any benefit of and any right to participate in any security now or hereafter held by VSI. Guarantor hereby consents to all of the provisions of the Acquisition Agreement and the documents called for therein, and waives all presentments, demands for performance, notices of default, notices of non-performance, set-offs, notices of set-off, protests, notices of protest, notices of dishonor, acceptance and notices of acceptance of this Guaranty and notices of the existence, creation or incurring of new,

additional or modified obligations under or in connection with the Acquisition Agreement, and any requirement of diligence or promptness on the part of VSI.

Guarantor assumes the responsibility for being and keeping itself informed of the financial condition of XDS and of all other circumstances bearing upon the risk of nonpayment of the indebtedness which diligent inquiry would reveal, and agrees that absent a request for such information by Guarantor, VSI shall have no duty to advise Guarantor of information known to it regarding such condition or any such circumstances.

Any indebtedness of XDS now or hereafter held by Guarantor is hereby subordinated to the indebtedness of XDS to VSI; and such indebtedness of XDS to Guarantor if VSI so requests shall be collected, enforced and received by Guarantor as trustee for VSI and be paid over to VSI on account of the indebtedness of XDS to VSI but without reducing or affecting in any manner the liability of Guarantor under the other provisions of this Guaranty.

This Guaranty may be enforced as to one or more breaches separately or cumulatively. Guarantor agrees to pay reasonable attorneys' fees and all other costs and expenses which may be incurred by VSI in the enforcement of this Guaranty, together with interest on all amounts payable under this Guaranty from the date due until paid at an annual rate equal to three percentage points plus the "reference rate" announced and designated from time to time by the Bank of America, N.T. & S.A., but not to exceed the maximum amount permitted by law.

This Guaranty shall be binding upon Guarantor and its successors and assigns (provided that Guarantor shall not assign or delegate any obligation hereunder and any such assignment shall be void), and shall inure to the benefit of VSI and its successors and assigns.

Any failure of Guarantor to comply with any of its obligations or agreements or to fulfill conditions herein contained may be waived only by a written waiver signed by VSI. No failure by VSI to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right hereunder by VSI preclude any other or future exercise of that right or any other right hereunder by VSI.

All notices, requests or other communications required or permitted hereunder shall be given in writing by hand delivery or by registered or certified mail, return receipt requested, postage prepaid, or by fax with receipt confirmed or by telex with confirmed answer back to the party to receive the same as its respective address set forth below, or at such other address

as may from time to time be designated by such party to the others in accordance with this paragraph:

If to Guarantor, to:

Office of the General Counsel
Xerox Corporation
800 Long Ridge Road
Stamford, CT 06904

Attn: Vice President and General Counsel

If to XDS, to:

Xerox Desktop Software, Inc.
15175 Innovation Drive
San Diego, CA 92128

If to VSI, to:

DLJ Software, Inc.
1188 Padre Drive
Salinas, CA 93901

All such notices and communications hereunder shall be deemed given when received, as evidenced by the acknowledgment of receipt issued with respect thereto by the applicable postal authorities or the signed acknowledgment of receipt of the person to whom such notice or communication shall have been addressed, or confirmation by telephone or return fax transmission was received, or the confirmed answer back of a telex transmission, as applicable.

The making, execution and delivery of this Guaranty by Guarantor has been induced by no representations, statements, warranties or agreements other than those herein expressed. This Guaranty, the Acquisition Agreement and the documents called for therein embody the entire understanding of the parties and there are no other agreements or understandings, written or oral, in effect between parties relating to the subject matter hereof, unless expressly referred to by reference herein. This Guaranty may be amended or modified only by an instrument of equal formality signed by Guarantor and by VSI. This Guaranty supersedes and terminates all prior discussions, negotiations, understandings, arrangements and agreements between the parties relating to the subject matter hereof.

The validity, construction, operation and effect of any and all of the terms and provisions of this Guaranty shall be determined and enforced in accordance with the laws of the state of California.

Guarantor agrees that any litigation, arbitration or other dispute resolution proceeding arising out of this Guaranty, the Acquisition Agreement or the transactions contemplated hereby shall take place in the state of California, unless the parties to the dispute agree otherwise at the time the dispute arises. Accordingly, Guarantor hereby submits and consents to the non-exclusive jurisdiction of the federal and state courts of the state of California for purposes of any such proceedings and irrevocably waives, to the fullest extent permitted by law, any objection which it may now or hereafter have to the laying of venue in such a court and any claim that any proceeding brought in such a court has been brought in an inconvenient forum.

IN WITNESS WHEREOF, the undersigned Guarantor has executed this Guaranty this 28th day of February, 1990.

XEROX CORPORATION,
a New York corporation

By: Austin E. Vanchieri
Name: Austin E. Vanchieri 3/7/90
Title: President
Xerox Information Products Division

GUARANTY

For valuable consideration, Xerox Corporation ("Guarantor") unconditionally and irrevocably guarantees, as principal and not as indemnitor, to Ventura Software, Inc. ("VSI"), acting on its own behalf and in its capacity as agent for John Meyer, Lee Lorenzen, Don Heiskell, John Grant, Loren Lorenzen, Kevin Holmes, Jay Lorenzen, Gary Lorenzen and F. Richard Meyer the due and punctual payment and performance of all covenants, agreements, indemnities, payments, debts and other obligations of Xerox Desktop Software, Inc. ("XDS") pursuant to the Software Acquisition Agreement dated as of February 28, 1990 between VSI and XDS (the "Acquisition Agreement"), and all documents called for therein (the "Guaranteed Obligations"). If XDS fails to pay or perform any of the Guaranteed Obligations as and when the same are due, Xerox shall immediately pay or perform the same.

The obligations hereunder are independent of the obligations of XDS and a separate action or actions may be brought and prosecuted against Guarantor whether or not action is brought against XDS and whether or not XDS is joined in any such action or actions; and Guarantor waives the benefit of any statute of limitations affecting its liability hereunder or the enforcement thereof to the extent permitted by law. Any part payment by XDS or other circumstance which operates to toll any statute of limitations as to XDS shall operate to toll the statute of limitations as to Guarantor.

Guarantor authorizes VSI, without notice or demand and without affecting its liability hereunder, from time to time to (a) renew, compromise, extend, accelerate or otherwise change the terms of the Guaranteed Obligations or any part thereof; (b) take and hold security for the payment or performance of this Guaranty or the Guaranteed Obligations and exchange, enforce, waive and release any such security and apply such security and direct the order or manner of sale thereof as VSI in its sole discretion may determine; and (c) release or substitute any one or more guarantors. VSI may without notice assign this Guaranty in whole or in part.

Guarantor hereby agrees that the Guaranteed Obligations will be paid, performed and observed strictly in accordance with their terms and strictly in accordance with the terms and provisions of the Acquisition Agreement, regardless of the enforceability thereof against XDS or any other party thereto, and regardless of any law, regulation or decree now or hereafter in effect which might in any manner affect the Guaranteed Obligations, or the rights of XDS with respect thereto. The obligations of Guarantor under this Guaranty are absolute, irrevocable and unconditional, without regard to the obligations of any other person, and not

subject to any counterclaim, offset, deduction, deferment, abatement, recoupment or other defense, except as provided in the Acquisition Agreement. Guarantor waives any defense arising by reason of any disability or defense of XDS or by reason of the cessation from any cause whatsoever of the liability of XDS, and agrees that Guarantor's obligations shall not be affected by the partial or complete illegality, unenforceability or invalidity of the Guaranteed Obligations or the Acquisition Agreement, or any other circumstance or condition.

Without limiting the generality of the foregoing, Guarantor agrees that its obligations and liability hereunder shall not be affected by any of the following, with or without notice to Guarantor: (a) the waiver by VSI of the performance or observance by XDS of any of the agreements, covenants, terms or conditions contained in the Acquisition Agreement; (b) the extension of the time for payment or performance of any amount or obligation under the Acquisition Agreement or this Guaranty; (c) any failure, omission, delay or lack on the part of VSI to perform, comply with, enforce, assert or exercise any obligation, right, power or remedy conferred on or to be performed by VSI under the Acquisition Agreement or this Guaranty, or any action on the part of VSI granting indulgence or extension in any form; (d) the voluntary or involuntary liquidation, dissolution, sale or other disposition of all or substantially all of the assets, marshalling of assets and liabilities, receivership, insolvency, bankruptcy, assignment for the benefit of creditors, reorganization, arrangement, composition or readjustment of, or other similar proceeding affecting XDS, Guarantor or any of their respective assets; (e) assignment of the Acquisition Agreement and/or the Software (as defined therein) by XDS, whether or not in compliance with the terms of the Acquisition Agreement, or assignment of the Acquisition Agreement or this Guaranty, in whole or in part, by VSI; (f) the release or discharge of XDS or Guarantor from the performance or observance of any agreement, covenant, term or condition contained in the Acquisition Agreement or this Guaranty by operation of law; (g) the acceptance by VSI of partial payment or performance or the full or partial recovery or payment of any judgment against XDS or Guarantor (except to the extent the Guaranteed Obligations have been paid or performed); (h) the sale or transfer or other disposition of the capital stock of XDS or any other change in the relationship or ownership between XDS and Guarantor or any termination of such relationship; (i) the amendment or modification of any terms or conditions of the Acquisition Agreement or this Guaranty; or (k) any circumstance which might otherwise constitute a legal or equitable discharge, release or defense of XDS under the Acquisition Agreement or of a surety or guarantor under applicable law. It is not necessary for VSI to inquire into the powers of XDS or the officers, directors, partners or agents acting or purporting to act on their behalf,

and any indebtedness, obligation or other action created or taken in reliance upon the professed exercise of such powers shall be guaranteed hereunder.

It is understood and agreed that, in the case of the bankruptcy or insolvency of XDS: (i) the claims of VSI against Guarantor hereunder shall not be limited by any provision of the Federal Bankruptcy Act or any similar or corresponding provision of any state or federal law; and (ii) in the case of the rejection, disaffirmance or termination of the Acquisition Agreement by or on behalf of XDS or its creditors in any receivership, bankruptcy, insolvency, arrangement, reorganization or other proceeding, Guarantor will pay to VSI amounts equal to all amounts otherwise payable under the Acquisition Agreement. Avoidance or reduction of any payment from XDS to VSI as a preference by virtue of any provisions of any bankruptcy, insolvency or liquidation laws of the United States or any other governmental unit, shall not affect Guarantor's obligations under this Guaranty. In the event of such avoidance or reduction, VSI shall be entitled to recover from the Guarantor the value of any payment so avoided or reduced, as if the avoidance or reduction had not occurred.

Guarantor waives any right to require VSI to (a) proceed against XDS; (b) proceed against or exhaust any security held from XDS; or (c) pursue any other remedy in VSI's power, whatsoever. VSI may, at its election, exercise any right or remedy it may have against XDS or any security held by VSI, including without limitation the right to foreclose upon any security by judicial or nonjudicial sale, without affecting or impairing in any way the liability of Guarantor hereunder except to the extent the Guaranteed Obligations have been performed and paid, and Guarantor waives any defense arising out of the absence, impairment or loss of any right of reimbursement or subrogation or other right or remedy of Guarantor against XDS or any such security, whether resulting from such election by VSI or otherwise.

Until all Guaranteed Obligations have been performed in full and all liability of XDS on account of the Guaranteed Obligations shall have been paid in full, Guarantor shall have no right of subrogation, and waives any right to enforce any remedy which VSI now has or may hereafter have against XDS, and waives any benefit of and any right to participate in any security now or hereafter held by VSI. Guarantor hereby consents to all of the provisions of the Acquisition Agreement and the documents called for therein, and waives all presentments, demands for performance, notices of default, notices of non-performance, set-offs, notices of set-off, protests, notices of protest, notices of dishonor, acceptance and notices of acceptance of this Guaranty and notices of the existence, creation or incurring of new,

additional or modified obligations under or in connection with the Acquisition Agreement, and any requirement of diligence or promptness on the part of VSI.

Guarantor assumes the responsibility for being and keeping itself informed of the financial condition of XDS and of all other circumstances bearing upon the risk of nonpayment of the indebtedness which diligent inquiry would reveal, and agrees that absent a request for such information by Guarantor, VSI shall have no duty to advise Guarantor of information known to it regarding such condition or any such circumstances.

Any indebtedness of XDS now or hereafter held by Guarantor is hereby subordinated to the indebtedness of XDS to VSI; and such indebtedness of XDS to Guarantor if VSI so requests shall be collected, enforced and received by Guarantor as trustee for VSI and be paid over to VSI on account of the indebtedness of XDS to VSI but without reducing or affecting in any manner the liability of Guarantor under the other provisions of this Guaranty.

This Guaranty may be enforced as to one or more breaches separately or cumulatively. Guarantor agrees to pay reasonable attorneys' fees and all other costs and expenses which may be incurred by VSI in the enforcement of this Guaranty, together with interest on all amounts payable under this Guaranty from the date due until paid at an annual rate equal to three percentage points plus the "reference rate" announced and designated from time to time by the Bank of America, N.T. & S.A., but not to exceed the maximum amount permitted by law.

This Guaranty shall be binding upon Guarantor and its successors and assigns (provided that Guarantor shall not assign or delegate any obligation hereunder and any such assignment shall be void), and shall inure to the benefit of VSI and its successors and assigns.

Any failure of Guarantor to comply with any of its obligations or agreements or to fulfill conditions herein contained may be waived only by a written waiver signed by VSI. No failure by VSI to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right hereunder by VSI preclude any other or future exercise of that right or any other right hereunder by VSI.

All notices, requests or other communications required or permitted hereunder shall be given in writing by hand delivery or by registered or certified mail, return receipt requested, postage prepaid, or by fax with receipt confirmed or by telex with confirmed answer back to the party to receive the same as its respective address set forth below, or at such other address

as may from time to time be designated by such party to the others in accordance with this paragraph:

If to Guarantor, to:

Office of the General Counsel
Xerox Corporation
800 Long Ridge Road
Stamford, CT 06904

Attn: Vice President and General Counsel

If to XDS, to:

Xerox Desktop Software, Inc.
15175 Innovation Drive
San Diego, CA 92128

If to VSI, to:

DLJ Software, Inc.
1188 Padre Drive
Salinas, CA 93901

All such notices and communications hereunder shall be deemed given when received, as evidenced by the acknowledgment of receipt issued with respect thereto by the applicable postal authorities or the signed acknowledgment of receipt of the person to whom such notice or communication shall have been addressed, or confirmation by telephone or return fax transmission was received, or the confirmed answer back of a telex transmission, as applicable.

The making, execution and delivery of this Guaranty by Guarantor has been induced by no representations, statements, warranties or agreements other than those herein expressed. This Guaranty, the Acquisition Agreement and the documents called for therein embody the entire understanding of the parties and there are no other agreements or understandings, written or oral, in effect between parties relating to the subject matter hereof, unless expressly referred to by reference herein. This Guaranty may be amended or modified only by an instrument of equal formality signed by Guarantor and by VSI. This Guaranty supersedes and terminates all prior discussions, negotiations, understandings, arrangements and agreements between the parties relating to the subject matter hereof.

The validity, construction, operation and effect of any and all of the terms and provisions of this Guaranty shall be determined and enforced in accordance with the laws of the state of California.

Guarantor agrees that any litigation, arbitration or other dispute resolution proceeding arising out of this Guaranty, the Acquisition Agreement or the transactions contemplated hereby shall take place in the state of California, unless the parties to the dispute agree otherwise at the time the dispute arises. Accordingly, Guarantor hereby submits and consents to the non-exclusive jurisdiction of the federal and state courts of the state of California for purposes of any such proceedings and irrevocably waives, to the fullest extent permitted by law, any objection which it may now or hereafter have to the laying of venue in such a court and any claim that any proceeding brought in such a court has been brought in an inconvenient forum.

IN WITNESS WHEREOF, the undersigned Guarantor has executed this Guaranty this 28th day of February, 1990.

XEROX CORPORATION,
a New York corporation

By: _____
Name: _____
Title: _____

Guarantor agrees that any litigation, arbitration or other dispute resolution proceeding arising out of this Guaranty, the Acquisition Agreement or the transactions contemplated hereby shall take place in the state of California, unless the parties to the dispute agree otherwise at the time the dispute arises. Accordingly, Guarantor hereby submits and consents to the non-exclusive jurisdiction of the federal and state courts of the state of California for purposes of any such proceedings and irrevocably waives, to the fullest extent permitted by law, any objection which it may now or hereafter have to the laying of venue in such a court and any claim that any proceeding brought in such a court has been brought in an inconvenient forum.

IN WITNESS WHEREOF, the undersigned Guarantor has executed this Guaranty this 28th day of February, 1990.

XEROX CORPORATION,
a New York corporation

By: Austin E. VanCleef
Name: AUSTIN E. VANCLEEF
Title: DIRECTOR, I.P.D.

Ventura Software, Inc.
1188 Padre Drive
Salinas, California 93901
Attention: John Meyer, President

Re: Edco payment

Dear John:

XDS has received your request for payment of $57,096. This amount represents full and final payment for Edco Dictionary products delivered in 1989. XDS will remit this amount within 15 days.

XEROX DESKTOP SOFTWARE, INC.

By: _____
Larry Gerhard, President

Ventura
Ventura Software, Inc.

Larry Gerhard
President
Xerox Desktop Software
9745 Business Park Ave.
San Diego, CA 92131

February 28, 1990

Dear Larry,

The purpose of this letter is to make certain you understand how we have implemented the Windows and Presentation Manager versions of Ventura Publisher®.

As you know, prior to founding Ventura Software, all of the principles worked for Digital Research (DRI). Since founding the company, all have worked as consultants to Xerox. In addition, Lee Lorenzen was at one time employed at Xerox. As a result, all of us can be viewed as "contaminated" by ideas to which we have been exposed while working for these companies.

To be more specific, Lee Lorenzen implemented the GEM Application Environment Services (AES) while at DRI, and also re-implemented a portion of this code (Derivative AES) — without access to any of the original source code — while at Ventura Software. DRI claimed to own the resulting code, and although we never accepted this claim, we decided to give them ownership to the Derivative AES as a business expedient to reach our goal of shipping version 2.0 of Ventura Publisher. Finally, Don Heiskell and John Grant implemented a major portion of the screen and printer Virtual Device Interface (VDI) during their employment at DRI.

In order to implement any version of Ventura Publisher, whether on Windows, Presentation Manager, or Macintosh, it is absolutely necessary to be able to read the instructions contained in GEM files and map and emulate these instructions on the screen or print them to a printer. This mapping and emulation could be construed as being prohibited for the Windows version in our previous license agreements with DRI. In order to port Ventura Publisher to these other environments, we have mapped and emulated the GEM AES function calls and data structures to those used by Windows or Presentation Manager.

While we have never intended to violate our agreements with DRI, these agreements are murky enough that we are uncomfortable with representing to Xerox Desktop Software (XDS) that we in no way violate the provision in section 8 of Amendment II (9/15/88) of those agreements.

We disclosed all of this to you in the course of the negotiations leading to the sale of Ventura Software's assets to XDS on February 28, 1990. However, because the above information is not contained in any representation or warranty within the **Software Acquisition Agreement**, and because you said DRI expressed concern about this issue during your negotiations with them, I thought it proper to send you this letter in order clarify what has been stated over the last several months.

Sincerely,

John H. Meyer

John H. Meyer
President

Received by: Larry Gerhard

Xerox Desktop Software

AGENCY AGREEMENT

This Agency Agreement ("Agreement") is entered into as of the 28th day of February, 1990, by and between Ventura Software, Inc., a California corporation ("Ventura"), and John Meyer, Don Heiskell, Lee Lorenzen, John Grant, Loren Lorenzen, Kevin Holmes, Jay Lorenzen, Gary Lorenzen and F. Richard Meyer (each, an "Individual").

R E C I T A L S

Ventura has entered into a Software Acquisition dated February 28, 1990 (the "Acquisition Agreement") with Xerox Desktop Software, Inc., a Delaware corporation ("Xerox"). Under the Acquisition Agreement, Xerox has agreed to purchase certain of Ventura's assets. The parties now wish to enter into this Agreement to authorize Ventura to act as agent for each Individual for the purpose of receiving and distributing the purchase price to the Individuals.

NOW, THEREFORE, the parties agree as follows:

1. **Appointment as Agent**. Each Individual hereby appoints Ventura as his agent to receive the Consideration, as defined in the Acquisition Agreement, from Xerox or from Xerox' parent, Xerox Corporation, pursuant to the Guaranty dated as of the same day as the Acquisition Agreement. Ventura shall distribute the Consideration in accordance with Exhibit A hereto. Each Individual agrees that Ventura shall have no obligation

under this Agreement to enforce the Acquisition Agreement or the Guaranty so as to collect the Consideration, unless and until so directed by the Individuals and at the Individuals' expense, and that Ventura shall have no liability to any Individual for any failure by Xerox to remit the Consideration to Ventura in accordance with the terms of the Acquisition Agreement. Each Individual further agrees that Xerox may pay his share of the Consideration to Ventura and shall have no liability to such Individual for any failure by Ventura to distribute the Consideration as required.

2. **Fees and Reimbursements**. Ventura shall not be entitled to any fees for its services hereunder but shall be entitled to reimbursement of reasonable out-of-pocket expenses from the Individuals in proportion to their shares of the Consideration.

3. **Successors**. In the event Ventura ceases to exist as a corporation, Ventura may assign its rights and obligations under this Agreement to any person or entity, and this Agreement shall be binding on and inure to the benefit of such successor.

4. **Assigns**. If any Individual assigns his rights to receive any or all his shares of the Consideration, this Agreement shall be binding on and inure to the benefit of his assignee.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first written above.

VENTURA SOFTWARE, INC.

By: John Meyer
John Meyer, President

John Meyer
JOHN MEYER

DON HEISKELL

LEE LORENZEN

John Grant
JOHN GRANT

LOREN LORENZEN

KEVIN HOLMES

JAY LORENZEN

GARY LORENZEN

F. RICHARD MEYER

VENTURA SOFTWARE, INC.

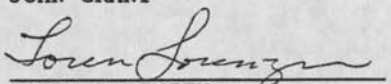
By: _____
John Meyer, President

_____
JOHN MEYER

_____
DON HEISKELL

_____
LEE LORENZEN

_____
JOHN GRANT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LOREN LORENZEN

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KEVIN HOLMES

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JAY LORENZEN

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GARY LORENZEN

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F. RICHARD MEYER

VENTURA SOFTWARE, INC.

By: _____
John Meyer, President

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JOHN MEYER

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DON HEISKELL

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LEE LORENZEN

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JOHN GRANT

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LOREN LORENZEN

Kevin W Holmes
KEVIN HOLMES

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JAY LORENZEN

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GARY LORENZEN

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R. RICHARD MEYER

VENTURA SOFTWARE, INC.

By: _____
John Meyer, President

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JOHN MEYER

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DON HEISKELL

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LEE LORENZEN

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JOHN GRANT

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LOREN LORENZEN

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KEVIN HOLMES

Jay Lorenz
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JAY LORENZEN

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GARY LORENZEN

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F. RICHARD MEYER

VENTURA SOFTWARE, INC.

By: _____
John Meyer, President

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JOHN MEYER

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DON HEISKELL

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LEE LORENZEN

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JOHN GRANT

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LOREN LORENZEN

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KEVIN HOLMES

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JAY LORENZEN

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GARY LORENZEN

_____
F. RICHARD MEYER

VENTURA SOFTWARE, INC.

By: _____
John Meyer, President

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JOHN MEYER

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DON HEISKELL

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LEE LORENZEN

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JOHN GRANT

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LOREN LORENZEN

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KEVIN HOLMES

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JAY LORENZEN

_____
GARY LORENZEN

Richard Meyer III
F. RICHARD MEYER III

AGREEMENT

THIS AGREEMENT is entered into as of the 28th day of February, 1990, by and among John Meyer ("Meyer"), Lee Lorenzen ("Lorenzen"), Don Heiskell ("Heiskell") and John Grant ("Grant").

RECITALS

Meyer, Lorenzen, Heiskell and Grant, together with Ventura Software, Inc., a California corporation ("Ventura"), have entered into a Software Acquisition Agreement, dated as of the same date as this Agreement, with Xerox Desktop Software, Inc., a Delaware corporation ("Xerox"), pursuant to which Xerox has agreed to acquire certain assets of Ventura and to pay certain additional sums for the performance of services and the delivery and performance of non-competition agreements (the "Non-Competition Agreements") of Meyer, Lorenzen, Heiskell and Grant. Meyer, Lorenzen, Heiskell and Grant are sometimes referred to in this Agreement individually as "Party" and collectively as the "Parties."

Under the Acquisition Agreement, Ventura and the Parties have made certain representations, warranties and covenants to Xerox and have agreed to indemnify Xerox for losses arising as a result of undisclosed liabilities for copyright or patent infringement relating to certain software to be acquired by Xerox. The Parties now wish to enter into this Agreement to provide for notice, contribution and mutual indemnification against claims asserted by Xerox under the Acquisition Agreement.

NOW, THEREFORE, in consideration of the foregoing, the parties agree as follows:

1. Notice and Information. Each Party will notify the other Parties within five days of learning of the same, of any claim brought by Xerox against any one or more of the Parties or Ventura arising out of (i) any breach of representations, warranties or covenants (other than those referred to in clause (iii) below) made under the Acquisition Agreement, (ii) any demand for indemnity under the indemnification provision of the Acquisition Agreement, (iii) any breach of the covenants relating to services to be provided under the Acquisition Agreement, or (iv) any breach of any of the Non-Competition Agreements (collectively, "Claims"). Each Party will make available to the other Parties all relevant information in his possession or under his control material to the defense of any Claims.

2. Contribution.

(a) Representations, Warranties and Indemnities. Meyer, Heiskell and Lorenzen agree that each will pay one-third

of the cost of all Claims of the type referred to in clauses (i) and (ii) of paragraph 1 above, including, without limitation, attorneys' fees, court costs, expert witness fees and other costs of defending the Claim, the cost of any award made to Xerox as a result of any Claim, the amount of any offset or deduction taken by Xerox against amounts payable under the Acquisition Agreement, and any amount paid to Xerox to settle a Claim (the "Cost" of the Claim). Each Party hereby agrees, severally not jointly, to indemnify and hold harmless the remaining Parties from and against all loss, liability, damage, cost and expense incurred by the remaining Parties as a result of such Party's failure to pay his share of any Claim as set forth above.

(b) Services and Non-Competition. If any Party or Parties fails to perform (or is claimed to have failed to perform) any services required by the Acquisition Agreement or breaches (or is claimed to have breached) the Non-Competition Agreement between such Parties and Xerox, then such Parties (the "Breaching Parties") shall jointly and severally pay the entire Cost (as defined in Section 2(a)) of any Claim arising out of such breach or alleged breach and shall jointly and severally indemnify and hold harmless the remaining Parties from all loss, liability, damage, cost and expense incurred by the remaining Parties as a result of the Claim (including but not limited to the Cost of the Claim). As between the Breaching Parties, the Cost of the Claim shall be paid in equal shares unless and until an award or judgment is entered against such Parties, in which case all Costs shall be allocated in proportion to the judgments or awards.

(c) Reallocation of Payments. If any amount payable by a Party under this Agreement has not been paid at a time when any consideration is received from Xerox under the Acquisition Agreement, any Party on behalf of all the Parties may direct Ventura to deduct such amount from the amount that would otherwise be payable to such Party under the Agency Agreement of even date herewith among the Parties and certain other individuals, and to reallocate such payment to the other Parties in the amounts owing to them under this Agreement. If the amount of consideration received is reduced because of an offset by Xerox on account of any Claim, then the payments under the Agency Agreement shall be reallocated, to the extent possible, so that the Party (or Parties) liable for the Claim under this Agreement bear the cost of the offset.

3. Defense and Settlement. The Parties responsible for paying the Cost of any Claim will control the defense thereof, provided that the defense shall be by counsel approved by all Parties, and all Parties will have the right to be informed of material developments in the defense and to participate in the defense at their own expense if they so choose. Each Party shall

cooperate in the defense of any Claim as reasonably requested by the Party or Parties defending the Claim, provided all out-of-pocket expenses are paid by the defending Parties. No counterclaim or other action against Xerox may be brought without notifying each of the Parties in writing, consulting with each Party, and offering each Party the opportunity to join in any such claim against Xerox and to participate in the prosecution of the claim. In addition, no counterclaim or other legal proceeding may be brought against Xerox in connection with any action by Xerox arising out of an alleged breach of the Acquisition Agreement, without the prior consent of Meyer, Lorenzen and Heiskell. No Party shall settle or compromise a Claim without first consulting with the other Parties and obtaining the consent of all Parties who will be required to pay any portion of the Claim or undertake any obligation or relinquish any right as a result of the settlement or compromise. Approvals and consents called for in this paragraph shall not be unreasonably withheld or delayed.

4. Miscellaneous.

(a) Governing Law. This Agreement will be governed by and construed in accordance with the laws of the state of California applicable to contracts made and to be performed in California. The parties agree that any litigation arising out of or with respect to this Agreement will be conducted within California, and the parties waive any objection they may now or hereafter have to the laying of venue in California and any claim that any proceeding instituted in California has been brought in an inconvenient forum.

(b) Invalidity of Particular Provisions. If any term or provision of this Agreement is determined to be illegal or unenforceable, all other terms and provisions of this Agreement will nevertheless remain effective and will be enforced to the maximum extent allowed by law.

(c) Notices. All notices and other communications under this Agreement will be in writing and will be deemed effective (i) immediately upon personal delivery, or (ii) one day after being sent, when sent by nationally recognized overnight courier service, or (iii) three days after being sent when mailed by registered or certified mail with postage prepaid, and addressed to the appropriate party at the address set forth below or at such other address as a party may designate by notice pursuant to this paragraph:

Meyer: John Meyer
25665 Tierra Grande
Carmel, CA 93923

Lorenzen: Lee Lorenzen
619 Spazier
Pacific Grove, CA 93950

Heiskell: Don Heiskell
10 Los Robles
Carmel Valley, CA 93924

Grant: John Grant
7385 Leafwood Drive
Salinas, CA 93907

(d) Attorneys' Fees. In any action brought to enforce the terms of this Agreement, the prevailing party will be entitled to an award or judgment for costs and expenses incurred in such action, including without limitation reasonable attorneys' fees.

(e) Time. Time is of the essence of each and every provision of this Agreement.

(f) Entire Agreement. This document represents the entire agreement between the parties with respect to its subject matter and supersedes all prior agreements, representations and covenants, oral or written.

IN WITNESS WHEREOF, this Agreement has been executed as of the day and year first above written.

_____
John H. Meyer

_____
Lee Lorenzen

_____
Don Heiskell

_____
John Grant

SECURITY AGREEMENT

THIS SECURITY AGREEMENT is entered into as of the 28th day of February, 1990, between Ventura Software, Inc., a California corporation, acting in its own capacity and in its capacity as agent for the individuals listed in Exhibit A hereto ("Secured Party"), and Xerox Desktop Software, Inc., a Delaware corporation ("Debtor").

RECITALS

Pursuant to the terms of that certain Software Acquisition Agreement of even date herewith between Secured Party and Debtor (the "Acquisition Agreement"), Secured Party has agreed to sell, and Debtor has agreed to purchase, all of Secured Party's right, title and ownership in certain of Secured Party's tangible and intangible assets. As security for the payment of the purchase price and for the performance of all Debtor's obligations under the Acquisition Agreement, Debtor desires to grant to Secured Party a security interest in the assets acquired from Secured Party, as further provided below.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Debtor agrees as follows:

1. Grant of Security Interest. Debtor hereby grants to Secured Party a security interest in the Collateral (as defined in Section 2 below) to secure payment of the Purchase Price and performance of all Debtor's obligations under the Acquisition Agreement (the "Obligations").

2. Collateral. The Collateral consists of all Debtor's worldwide right, title and ownership in and to the assets, contracts, names and licenses acquired by Debtor from Secured Party under the Acquisition Agreement, whether now owned or hereafter acquired, and all proceeds thereof, as follows:

(a) All software, trade secrets, patents, knowhow, patent applications, inventions, algorithms, diagnostic routines, processes, logos, trademarks or service marks, registered or unregistered and applications therefor, copyrights and copyright applications as set forth in Schedule 1 to this Security Agreement together with any and all modifications and supplements thereto made by Debtor (the "Software");

(b) All business files and records relating to or used in connection with the Software and certain computer equipment and other office equipment set forth in Schedule 1 to this Security Agreement;

(c) All right, title and interest of the Secured Party in and to all contracts and agreements necessary for the full use, modification and sublicensing of the Software including, without limitation, any agreements listed in Schedule 1 (the "License Agreements");

(d) All right, title and interest of the Secured Party in the name "Ventura", in any name incorporating the word "Ventura" including "Ventura Publisher", and in any other names, whether of product or otherwise, used in connection with the Seller's business.

The term "proceeds" includes whatever is receivable or received when Collateral or proceeds is sold, collected, sublicensed, exchanged or otherwise disposed of, whether such disposition is voluntary or involuntary.

3. Covenants of Debtor. Debtor agrees:

(a) to do all acts necessary to maintain, preserve and protect the Collateral and, in particular, at all times to maintain procedures to protect the confidentiality of the Software, to maintain archive copies and to otherwise safeguard the Collateral against damage, disclosure or theft, to maintain insurance against physical damage to the Collateral, in each case

as is customary in the industry and in accordance with Debtor's practices with respect to its most valuable software;

(b) not to use or permit any Collateral to be used unlawfully or in violation of any provision of the Acquisition Agreement, the License Agreements or any applicable statute, regulation or ordinance or any policy of insurance covering the Collateral;

(c) to pay promptly when due all taxes, assessments, charges, encumbrances and liens now or hereafter imposed upon or affecting any Collateral;

(d) to notify Secured Party at least sixty (60) days prior to any change in the location of the tangible Collateral or in Debtor's name or place of business, or, if Debtor has more than one place of business, its chief executive office, or office in which Debtor's records relating to the Collateral are kept;

(e) to procure, execute and deliver from time to time any endorsements, assignments, financing statements and other writings deemed necessary or appropriate by Secured Party to perfect, maintain and protect its security interest hereunder and the priority thereof;

(f) to appear in and defend any action or proceeding which may affect its title to or Secured Party's interest in the Collateral;

(g) to keep separate, accurate and complete records of the Collateral and to provide Secured Party with such records and other reports and information relating to the Collateral as Secured Party may reasonably request from time to time; and

(h) not to surrender or lose possession of, sell, encumber, lease, rent, or otherwise dispose of or transfer any Collateral or right or interest therein other than to non-exclusive sublicensees in the ordinary course of business and, notwithstanding any provision of the Acquisition Agreement, to keep the Collateral free of all levies and security interests or other liens or charges except those approved in writing by Secured Party; provided, however, that Debtor may transfer the Collateral to a subsidiary as provided in the Acquisition Agreement with thirty (30) days prior written notice to Secured Party.

4. Representations and Warranties. Debtor represents and warrants to Secured Party that:

(a) except as disclosed to Secured Party in writing, Debtor is the owner of the Collateral (or, in the

case of after-acquired Collateral, at the time Debtor acquires rights in the Collateral, will be the owner thereof) and that no other person has (or, in the case of after-acquired Collateral, at the time Debtor acquires rights therein, will have) any right, title, claim or interest (by way of security interest or other lien or charge or otherwise) in, against or to the Collateral;

(b) Debtor's chief executive office is located in San Diego, California; and

(c) except as otherwise provided by Debtor in writing, that portion of Collateral consisting of software and all records pertaining thereto is and will be located in San Diego, California.

6. Attorney-In-Fact. Debtor hereby irrevocably appoints Secured Party as its attorney-in-fact to do (but Secured Party will not be obligated to and will incur no liability to Debtor or any third party for failure so to do) any act which Debtor is obligated by this Security Agreement to do, and to exercise such rights and powers as Debtor might exercise with respect to the Collateral. Debtor agrees to reimburse Secured Party upon demand for any costs and expenses, including, without limitation, reasonable attorneys' fees, Secured Party may incur while acting as Debtor's attorney-in-fact hereunder, all of which costs and

expenses are included in the Obligation secured by the Collateral.

7. Default. Debtor shall be in default under this Security Agreement if:

(a) Debtor fails to pay any amount as and when the same is due to Secured Party or to perform any of its obligations under the Acquisition Agreement; or

(b) Debtor breaches any provision of this Security Agreement or the Acquisition Agreement and such breach continues after written notice from Secured Party for a period of ten (10) days or such longer period of time reasonably required to remedy the breach, provided Debtor promptly commences remedial action within ten (10) days of such written notice and thereafter diligently pursues the remedial action.

8. Remedies. Upon a default as defined in Section 7 above, Secured Party may, at Secured Party's option, exercise any or all of the following remedies:

(a) Require Debtor to assemble all of the Collateral and make it available to Secured Party, at Debtor's expense, at a location designated by Secured Party;

(b) Exercise with respect to the Collateral all of the remedies of a secured party under Division 9 of the California Uniform Commercial Code, including disposing of the Collateral in any commercially reasonable manner including, without limitation, in a privately negotiated sale if Secured Party has solicited offers from at least three (3) potential purchasers. The parties acknowledge that due to the unique nature of the Collateral:

(i) consummation of a sale of the Collateral may require a lengthy period of time, in excess of ninety (90) days, and the parties agree that a sale requiring such period shall nonetheless be deemed commercially reasonable; and

(ii) the parties agree that because of the difficulty of selling the Collateral, it is commercially reasonable for Secured Party to retain the Collateral in satisfaction of the Obligations; the parties have always intended and hereby agree that Secured Party should have the right to so retain the Collateral following a default; and Debtor agrees that it will not do anything to delay or prevent such retention of the Collateral;

(c) Exercise any and all remedies available under law or in equity; and

(d) Recover from Debtor all costs and expenses, including reasonable attorneys' fees, incurred by Secured Party in exercising any right or remedy provided for hereunder or by law, which costs and expenses are included in the Obligations secured by the Collateral.

No delay or omission to exercise any right or remedy of Secured Party upon a default by Debtor shall waive any right or remedy of Secured Party or be construed as a waiver of any similar default which occurs later. Debtor waives any right to require Secured Party to proceed against any other person or to exhaust any Collateral or to pursue any other remedy in Secured Party's power.

9. Assignment. Neither party may assign its rights under this Security Agreement without the prior written consent of the other party.

10. Miscellaneous.

10.1. Successors. The terms of this Security Agreement shall inure to the benefit of and bind the parties hereto and their respective successors, assigns, executors, heirs and legal representatives.

10.2. Entire Agreement; Severability. This Security Agreement contains the entire security agreement between Secured Party and Debtor and may be modified only by a writing signed by Secured Party and Debtor. If any of the provisions of this Security Agreement are held invalid or unenforceable, this Security Agreement shall be construed as if the invalid or unenforceable provisions had not been included therein.

10.3. Choice of Law. This Security Agreement shall be construed in accordance with and governed by the laws of the State of California.

10.4. Attorneys' Fees. In any action brought to enforce the terms of this Security Agreement, the prevailing party shall be entitled to an award or judgment for its costs and expenses incurred in such action, including reasonable attorneys' fees.

10.5. Notices. All communications required or given under this Security Agreement shall be given in writing to Secured Party or Debtor at the address for such party set forth below, and shall be deemed given upon the earlier of (i) actual receipt by the party, or (ii) the date sent by fax transmission with receipt confirmed by telephone or return fax, or three (3) days after posting in the United States mail, postage prepaid, return receipt requested and duly addressed as follows:

Secured Party: Ventura Software, Inc.
1188 Padre Drive
Salinas, California 93901
Attention: John H. Meyer
Fax: (408) 422-9984

Debtor: Xerox Desktop Software, Inc.
15175 Innovation Drive
San Diego, CA 92128
Attention: LARRY GERHARD
Fax: 619 695 7721

Either party may change the address to which notices shall be sent to such party by providing written notice thereof to the other party in accordance with the terms of this Section.

10.6 Time. Time is of the essence of each and every provision of this agreement.

IN WITNESS WHEREOF, the parties have executed this Security Agreement as of the date and year first above written.

DEBTOR: XEROX DESKTOP SOFTWARE, INC., a Delaware corporation

By: _____

Name: LARRY J GERHARD
Title: PRESIDENT

SECURED PARTY: VENTURA SOFTWARE, INC., a California corporation

By: _____

Name: John Meyer
Title: President

EXHIBIT A

INDIVIDUALS

John Meyer

Lee Lorenzen

Don Heiskell

John Grant

Loren Lorenzen

Kevin Holmes

Jay Lorenzen

Gary Lorenzen

F. Richard Meyer

SCHEDULE 1

I. Patents, Trademarks, Service Marks, and Copyrights

A. Trademarks and Tradenames.

1. **Ventura Publisher** (U.S. Registered Trademark No. 1,446,089, expires July 2007 unless sooner cancelled or abandoned.)

2. **Professional Extension** (U.S. Registered Trademark No. 1,548,070, expires July 2009 unless sooner cancelled or abandoned).

B. Copyrights

Work	Registration date
Ventura Publisher version 1.0	November 3, 1986
Ventura Publisher version 1.1/1.11	December 4, 1987
Ventura Network Server version 2.0	September 28, 1988
Ventura Publisher version 2.0	December 28, 1988
Ventura Publisher Professional Extension version 1.0	January 31, 1989

C. Computer Software

For Ventura Publisher, version 1.1, version 2.0, Professional Extension and Network Server, the versions current as of the date hereof of:

1. source code, on magnetic tape or discs (collectively, "magnetic media") or in documentary form;

2. object code, on magnetic media; and

3. any currently existing related manuals, logic diagrams, flow charts and other documentation relating thereto.

II. Equipment to be Transferred

1. Compaq 386 and VGA Monitor, SN 4809AQ3B0625

2. Compaq 386 and VGA Monitor, SN 4809AQB0239

3. Compaq 386 and VGA Monitor, SN

4. Compaq 386 portable, SN 4803AQ2B1102

5. Compaq 286 Deskpro, SN 455106180455

6. Compaq 286 Deskpro, SN 452406180188

7. Compaq Deskpro and CGA monitor SN 3508520057

8. Compaq Deskpro and CGA monitor SN 4517052B0422

9. Apple Laserwriter Plus printer SN A62773FRM0156

10. Apple Macintosh Plus and Monitor SN F7411BH

11. IBM System/2 Model 60 Computer and VGA monitor SN 72-80006993

III. Contracts

None.

This FINANCING STATEMENT is presented for filing pursuant to the California Uniform Commercial Code.

1. DEBTOR (LAST NAME FIRST—IF AN INDIVIDUAL)
Xerox Desktop Software, Inc.

1A. SOCIAL SECURITY OR FEDERAL TAX NO.

1B. MAILING ADDRESS
15175 Innovation Drive

1C. CITY, STATE
San Diego, CA

1D. ZIP CODE
92128

2. ADDITIONAL DEBTOR (IF ANY) (LAST NAME FIRST—IF AN INDIVIDUAL)

2A. SOCIAL SECURITY OR FEDERAL TAX NO.

2B. MAILING ADDRESS

2C. CITY, STATE

2D. ZIP CODE

3. DEBTOR'S TRADE NAMES OR STYLES (IF ANY)

3A. FEDERAL TAX NUMBER

4. SECURED PARTY
NAME Ventura Software, Inc.
MAILING ADDRESS
CITY STATE ZIP CODE

4A. SOCIAL SECURITY NO., FEDERAL TAX NO. OR BANK TRANSIT AND A.B.A. NO.

5. ASSIGNEE OF SECURED PARTY (IF ANY)
NAME
MAILING ADDRESS
CITY STATE ZIP CODE

5A. SOCIAL SECURITY NO., FEDERAL TAX NO. OR BANK TRANSIT AND A.B.A. NO.

6. This FINANCING STATEMENT covers the following types or items of property **(include description of real property on which located and owner of record when required by instruction 4).**

See Schedule 1 attached hereto and made a part hereof.

7. CHECK IF APPLICABLE [X]
7A. [X] PRODUCTS OF COLLATERAL ARE ALSO COVERED
7B. DEBTOR(S) SIGNATURE NOT REQUIRED IN ACCORDANCE WITH INSTRUCTION 8(a) ITEM: [ ](1) [ ](2) [ ](3) [ ](4)

8. CHECK IF APPLICABLE [X]
[ ] DEBTOR IS A "TRANSMITTING UTILITY" IN ACCORDANCE WITH UCC § 9105 (1)(n)

9.
► Garry J. Rahal DATE: 2/28/90
SIGNATURE(S) OF DEBTOR(S)

Xerox Desktop Software, Inc.
TYPE OR PRINT NAME(S) OF DEBTOR(S)

► John Mayer 2/28/90
SIGNATURE(S) OF SECURED PARTY(IES)

Ventura Software, Inc.
TYPE OR PRINT NAME(S) OF SECURED PARTY(IES)

11. *Return copy to:*

NAME Amy B. Beer
ADDRESS Farella, Braun & Martel
CITY 235 Montgomery St., 20th Floor
STATE San Francisco, CA 94104
ZIP CODE

CODE 1 2 3 4 5 6 7 8 9 0

10. THIS SPACE FOR USE OF FILING OFFICER (DATE, TIME, FILE NUMBER AND FILING OFFICER)

FORM UCC-1—FILING FEE $5.00
Approved by the Secretary of State

(1) FILING OFFICER COPY

SCHEDULE 1

I. Patents, Trademarks, Service Marks, and Copyrights

A. Trademarks and Tradenames.

1. **Ventura Publisher** (U.S. Registered Trademark No. 1,446,089, expires July 2007 unless sooner cancelled or abandoned.)

2. **Professional Extension** (U.S. Registered Trademark No. 1,548,070, expires July 2009 unless sooner cancelled or abandoned).

B. Copyrights

Work	Registration date
Ventura Publisher version 1.0	November 3, 1986
Ventura Publisher version 1.1/1.11	December 4, 1987
Ventura Network Server version 2.0	September 28, 1988
Ventura Publisher version 2.0	December 28, 1988
Ventura Publisher Professional Extension version 1.0	January 31, 1989

C. Computer Software

For Ventura Publisher, version 1.1, version 2.0, Professional Extension and Network Server, the versions current as of the date hereof of:

1. source code, on magnetic tape or discs (collectively, "magnetic media") or in documentary form;

2. object code, on magnetic media; and

3. any currently existing related manuals, logic diagrams, flow charts and other documentation relating thereto.

II. Equipment to be Transferred

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2. Compaq 386 and VGA Monitor, SN 4809AQB0239

3. Compaq 386 and VGA Monitor, SN

4. Compaq 386 portable, SN 4803AQ2B1102

5. Compaq 286 Deskpro, SN 455106180455

6. Compaq 286 Deskpro, SN 452406180188

7. Compaq Deskpro and CGA monitor SN 3508520057

8. Compaq Deskpro and CGA monitor SN 4517052B0422

9. Apple Laserwriter Plus printer SN A62773FRM0156

10. Apple Macintosh Plus and Monitor SN F7411BH

11. IBM System/2 Model 60 Computer and VGA monitor SN 72-80006993

III. Contracts

None.

SECURITY AGREEMENT REGARDING TRADEMARKS

R E C I T A L S:

(A) Ventura Software, Inc. ("Ventura") has agreed to sell certain intangible and tangible assets to Xerox Desktop Software, Inc., of 15175 Innovation Drive, San Diego, CA 92128 ("Xerox"), pursuant to a Software Acquisition Agreement dated as of February 28, 1990 (the "Acquisition Agreement"). Under the Acquisition Agreement, part of the purchase price has been deferred. As security for the payment of the purchase price and the performance of the obligations of Xerox under the Acquisition Agreement, pursuant to that certain Security Agreement dated February 28, 1990, Xerox has granted Ventura a security interest in and to, among other things, all the trademarks and tradenames Xerox has acquired from Ventura.

(B) Xerox has acquired from Ventura marks registered in the United States Patent and Trademark Office as follows:

United States Trademark	Principal Register No.
1. Ventura Publisher	1,446,089
2. Professional Extension	1,548,070

(C) Ventura desires to acquire said marks and the registrations thereof as security for the payment of the purchase price and the performance of the obligations of Xerox under the Acquisition Agreement.

NOW, THEREFORE, incorporating the foregoing Recitals, and for good and valuable consideration, the receipt and

sufficiency of which are hereby acknowledged, Xerox does hereby grant to Ventura a security interest in all its right, title and interest in and to the said marks, together with the goodwill of the business symbolized by the marks and the above-identified registrations thereof.

DATED: February 28, 1990.

XEROX DESKTOP SOFTWARE, INC.

By: Larry J. Gerhard
Name: LARRY J. GERHARD
Title: PRESIDENT

STATE OF CALIFORNIA)
)
COUNTY OF SAN FRANCISCO)

On this 28th day of February, 1990, personally appeared Larry J. Gerhard, President, known to me to be the of the corporation that executed the within instrument on behalf of the corporation, and acknowledged to me that such corporation executed the same.

OFFICIAL SEAL
SUSAN J. PASSANISI
Notary Public-California
SAN FRANCISCO COUNTY
My Comm. Exp. Dec. 17, 1993

Susan J. Passanisi
Notary Public
Commission Expires 12/17/93

FARELLA, BRAUN & MARTEL
A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS
ATTORNEYS AT LAW
RUSS BUILDING, 30TH FLOOR
235 MONTGOMERY STREET
SAN FRANCISCO, CALIFORNIA 94104
(415) 954-4400

TELEX
340509 F, B & M SFO

FACSIMILE
954-4480 954-4481

AMY B. BEER
DIRECT DIAL NUMBER
954-4944

May 21, 1990

Mr. Don Heiskell
10 Los Robles
Carmel Valley, CA 93924

Mr. Lee Lorenzen
619 Spazier
Pacific Grove, CA 93950

Mr. John Grant
7385 Leafwood Drive
Salinas, CA 93907

Re: Sale to Xerox Desktop Software, Inc.

Gentlemen:

Enclosed is a copy of the recorded Security Agreement Regarding Trademarks between Ventura Software, Inc. and Xerox Desktop Software, Inc. Please insert this document at Tab 12C of your final documents binder.

Please do not hesitate to call me if you have any questions regarding the enclosed.

Sincerely yours,

Amy B. Beer

Amy B. Beer

ABB-6/31:tb
Enclosure

SECURITY AGREEMENT REGARDING TRADEMARKS

R E C I T A L S:

(A) Ventura Software, Inc. ("Ventura") has agreed to sell certain intangible and tangible assets to Xerox Desktop Software, Inc., of 15175 Innovation Drive, San Diego, CA 92128 ("Xerox"), pursuant to a Software Acquisition Agreement dated as of February 28, 1990 (the "Acquisition Agreement"). Under the Acquisition Agreement, part of the purchase price has been deferred. As security for the payment of the purchase price and the performance of the obligations of Xerox under the Acquisition Agreement, pursuant to that certain Security Agreement dated February 28, 1990, Xerox has granted Ventura a security interest in and to, among other things, all the trademarks and tradenames Xerox has acquired from Ventura.

(B) Xerox has acquired from Ventura marks registered in the United States Patent and Trademark Office as follows:

United States Trademark	Principal Register No.
1. Ventura Publisher	1,446,089
2. Professional Extension	1,548,070

(C) Ventura desires to acquire said marks and the registrations thereof as security for the payment of the purchase price and the performance of the obligations of Xerox under the Acquisition Agreement.

NOW, THEREFORE, incorporating the foregoing Recitals, and for good and valuable consideration, the receipt and

sufficiency of which are hereby acknowledged, Xerox does hereby grant to Ventura a security interest in all its right, title and interest in and to the said marks, together with the goodwill of the business symbolized by the marks and the above-identified registrations thereof.

DATED: February 28, 1990.

XEROX DESKTOP SOFTWARE, INC.

By: Larry J. Gerhard
Name: LARRY J. GERHARD
Title: PRESIDENT

STATE OF CALIFORNIA)
)
COUNTY OF SAN FRANCISCO)

On this 28th day of February, 1990, personally appeared Larry J. Gerhard, known to me to be the President of the corporation that executed the within instrument on behalf of the corporation, and acknowledged to me that such corporation executed the same.

Susan J. Passanisi
Notary Public
Commission Expires 12/17/93

OFFICIAL SEAL
SUSAN J. PASSANISI
Notary Public-California
SAN FRANCISCO COUNTY
My Comm. Exp. Dec. 17, 1993

RECORDED
PATENT AND TRADEMARK
OFFICE
MAR 26 1990

REEL 0698 FRAME 093
TRADE-MARK

2309\90022606
02/27/90

SECURITY AGREEMENT REGARDING COPYRIGHTS

R E C I T A L S:

(A) Ventura Software, Inc. ("Ventura") has agreed to sell certain intangible and tangible assets to Xerox Desktop Software, Inc., of 15175 Innovation Drive, San Diego, CA 92128 ("Xerox"), pursuant to a Software Acquisition Agreement dated as of February 28, 1990 (the "Acquisition Agreement"). Under the Acquisition Agreement, part of the purchase price has been deferred. As security for the payment of the purchase price and the performance of the obligations of Xerox under the Acquisition Agreement, pursuant to that certain Security Agreement dated February 28, 1990, Xerox has granted Ventura a security interest in and to, among other things, all the copyrights Xerox has acquired from Ventura.

(B) Xerox has acquired from Ventura copyrights registered with the United States Register of Copyrights as follows:

Work	Registration Date
Ventura Publisher Version 1.0	November 3, 1986
Ventura Publisher Version 1.1/1.11	December 4, 1987
Ventura Publisher Network Server Version 2.0	September 28, 1988
Ventura Publisher Version 2.0	December 28, 1988
Ventura Publisher Professional Extension Version 1.0	January 31, 1989

(C) Ventura desires to acquire said copyrights as security for the payment of the purchase price and the performance of the obligations of Xerox under the Acquisition Agreement.

NOW, THEREFORE, incorporating the foregoing Recitals, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Xerox does hereby grant to Ventura a security interest in all its right, title and interest in and to said copyrights.

DATED: February 28, 1990.

XEROX DESKTOP SOFTWARE, INC.

By: Larry J. Gerhard
Name: LARRY J. GERHARD
Title: PRESIDENT

STATE OF CALIFORNIA)
)
COUNTY OF SAN FRANCISCO)

On this 28th day of February, 1990, personally appeared Larry J. Gerhard, President, known to me to be the of the corporation that executed the within instrument on behalf of the corporation, and acknowledged to me that such corporation executed the same.

OFFICIAL SEAL
SUSAN J. PASSANISI
Notary Public-California
SAN FRANCISCO COUNTY
My Comm. Exp. Dec. 17, 1993

Susan J. Passanisi
Notary Public
Commission Expires 12/17/93

SOFTWARE LICENSE AGREEMENT

BY AND AMONG

DIGITAL RESEARCH (CALIFORNIA) INC.

and

XEROX CORPORATION

and

XEROX DESKTOP SOFTWARE, INC.

SOFTWARE LICENSE AGREEMENT

This Agreement is by and among Xerox Corporation, a New York corporation and its controlled subsidiary, Xerox Desktop Software, Inc., a Delaware corporation, jointly and severally, and Digital Research (California) Inc., a California corporation. Xerox and DRI are the parties to this Agreement which shall be effective upon the Effective Date (as hereinafter defined).

1. DEFINITIONS

In this Agreement, the terms:

1.1 "Licensed Program" means DRI's computer programs, more specifically identified in Attachment C hereto, being used by Xerox currently in conjunction with Ventura Publisher 2.0 and Ventura Publisher 3.0 GEM Edition, which Licensed Program consists of (a) GDOS, (b) derivative AES and (c) device drivers. "Licensed Program" as used herein does not include Source Code or the Licensed DRI GUI.

1.2 "Use" means copying any portion of a Licensed Program into a machine and/or transmitting it to a machine, for processing of the machine instructions or statements contained in such material.

1.3 "Documentation" means any combination of DRI's user manuals, programmers' guides, system guides and related DRI materials which facilitate the Use of the Licensed Program including such items being used by Xerox currently in conjunction with Ventura Publisher 2.0 and Ventura Publisher 3.0 GEM Edition.

1.4 "Product" means a Licensed Program and any combination of a Licensed Program and Documentation.

1.5 "End User Program License Agreement" means the standard DRI End User Program License Agreement attached as Attachment B hereto.

1.6 "Object Code" means the form of a Licensed Program resulting from the translation or processing of Source Code by a computer into machine language or intermediate code, and thus is in a form that would not be convenient to human understanding of the program logic, but which is appropriate for execution or interpretation by a computer.

1.7 "Source Code" means a form of a Licensed Program in which the program logic is easily deduced by a human being, such as a printed listing of the program, or in an encoded machine-readable

form, such as might be recorded on magnetic tape or disk, from which a printed listing can be made by processing it with a computer.

1.8 "Derivative works" means a revision, modification, translation, abridgement, condensation or expansion of a work or any other form in which such work may be recast, transferred or adapted, which if prepared without the consent of the copyright owner of the pre-existing work would constitute a copyright infringement.

1.9 "Effective Date" means the date upon which Xerox and Ventura Software, Inc. execute a certain "Software Acquistion Agreement" transferring title to Ventura Publisher to Xerox. Xerox shall provide written notice to DRI of such date of execution within three (3) business days thereafter.

1.10 "Licensed Xerox Graphical User Interface" (hereinafter referred to as "Licensed Xerox GUI") means the audio-visual displays and/or the mode in which a human operator interacts with the displays via the input controls associated therewith employed by Xerox in: any versions of the Xerox ViewPoint product, through and including version 2.0; or VP Series applications: VP NetCom, VP RemoteCom, VP StandAlone, and VP Document Editor; or comparable content of STAR 1.0 through 5.0, which includes all versions thereof in existence on the date of this Agreement. Licensed Xerox GUI shall exclude the underlying code but include without limitation , the look and feel of such displays and their organization, structure and sequence and any icons, window designs, window placements, keyboard or mouse actions, scroll bars, menu design, virtual key boards, alerts, calls, dialogues, menu placement and menu operation which they may employ.

1.11 "Licensed DRI Graphical User Interface" (herein referred to as "Licensed DRI GUI") shall mean the audio-visual displays and/or the mode in which a human operator interacts with the displays via the input controls associated therewith employed by DRI in: Release 2.0 through Release 3.1 of the Licensed Program in existence on the date of this Agreement. Licensed DRI GUI shall exclude the underlying code but include without limitation, the look and feel of such displays and their organization, structure and sequence and any icons, window designs, window placements, keyboard or mouse actions, scroll bars, menu design, virtual key boards, alerts, calls, menu placement and menu operation which they may employ.

1.12 "DRI Software Product" shall mean software products developed by or for DRI or distributed by DRI which would infringe any proprietary rights covering the Licensed Xerox GUI, but for the rights granted in this Agreement.

1.13 "Defined Computer" means those computer hardware products identified in Attachment C hereto.

1.14 "Registration Card" means the DRI-approved registration form shown in Attachment D by which an end user licensee registers a Licensed Program.

1.15 "Xerox Software Product" means those computer programs specified in Attachment C, for which Xerox is a lawful licensor and along with which the Licensed Program shall be distributed.

1.16 "Software Distribution Guide" means the informational guide Shown in Attachment E which specifies DRI's requirements regarding reproduction, serialization and distribution of the Product.

1.17 "DRI" means Digital Research (California) Inc., and Digital Research Inc., the corporate parent of Digital Research (California) Inc., and their wholly owned subsidiaries and affiliates.

1.18 "Xerox" means Xerox Corporation and its controlled subsidiary, Xerox Desktop Software, jointly and severally.

2. LICENSE.

Subject to all other terms and conditions of this Agreement:

2.1 DRI hereby grants to Xerox, a nonexclusive, royalty-bearing, nontransferable (except as specified in Section 15 hereof), perpetual, worldwide license to reproduce and distribute each Licensed Program solely for use on a Defined Computer and solely packaged with a Xerox Software Product. Xerox shall have the right to distribute each Licensed Program to end users as part of such distribution pursuant to the terms and limitations of Section 9 hereof, through the use of the End User Program License Agreement.

2.2 DRI hereby grants to Xerox a nonexclusive, nontransferable license, without the right to sublicense, to Use the Source Code specified in Attachment C for the Licensed Program for Xerox's internal use only, for the sole purpose of maintaining and supporting the Licensed Program distributed to end users, and for creating derivative works as outlined in Paragraph 2.3 below. Xerox agrees that such Source Code is DRI Confidential Information which shall be treated in accordance with Section 12 hereof and shall be used only at the office of Xerox located at 15175 Innovation Drive, San Diego, California 92128, ~~or~~ AND at an alternate locations specifed in writing to DRI.

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2.2.1 DRI hereby grants to Xerox a non-exclusive, royalty-free, worldwide license to reproduce and distribute the Documentation. Such distribution shall occur solely in conjunction with Xerox's distribution of the Licensed Program as licensed in Paragraph 2.1 above.

2.3 DRI hereby grants to Xerox a license to create derivative works based upon those portions of the Licensed Program which are not device drivers in object code or the GDOS, but rights in the original Source Code and Object Code of the Licensed Program shall remain in DRI. DRI shall not be responsible for any support or maintenance of the Licensed Program or of any derivative works. All such derivative works shall be subject to the License set forth in Paragraph 2.1, Xerox shall have a license during the term of this Agreement to distribute such Derivative Works in Object Code form only. Xerox shall promptly register with the U.S. Copyright Office, in the joint names of DRI and Xerox, all Derivative Works, as derivative work based upon DRI copyrighted material. Distribution of derivative works shall be subject to compliance with the requirements set forth in the Software Redistribution Guide with regard to copyrights, trade names, and trademarks. Upon termination of this Agreement, all rights to such derivative works shall vest in DRI. In such latter event, Xerox shall cooperate and take such actions as DRI may reasonably request to assign all rights in and to such derivative works to DRI.

2.4 Xerox may use a Licensed Program internally for Xerox's own use for testing, demonstrating, training, and sales purposes by its own personnel. All copies distributed for such internal purposes shall be serialized and registered in Xerox's name as though an end user copy, and shall count in any royalty computations.

2.5 No license is granted for any use or reproduction of any Product for which the required payment has not been made by Xerox or Xerox's end users.

2.6 Xerox may make specific I/O system implementations necessary for the operation of the Licensed Program on a Defined Computer.

Subject to Paragraph 2.9 and all other terms and conditions of this Agreement:

2.7 Xerox hereby grants to DRI, a non-exclusive, perpetual, irrevocable, worldwide, fully paid-up license under any or all: (i) copyrights, (ii) design patents, and/or (iii) utility patents, that are owned or controlled or licensable by Xerox and which cover the Licensed Xerox GUI: to use, reproduce, prepare or have prepared derivative works of, implement, translate or modify the Licensed Xerox GUI and reproduce and distribute the same in a Licensee Software Product. In addition, DRI is licensed to copy, display and prepare or have prepared derivative works of all pictorial, graphical and audio-visual works created as a result of the execution of a DRI Software Product. Xerox hereby grants to Licensee the further rights to sublicense the right to reproduce and distribute DRI Software Products. Such license

includes the right of DRI to grant licenses, of or within the scope of the right and license granted to it herein, to DRI licensees and each licensed DRI Subsidiary shall have the right correspondingly to license other DRI licensees, provided that any such license shall be solely in conjunction with distribution by DRI of products made by or for DRI, or distributed by DRI.

Subject to all other terms and conditions of this Agreement:

2.8 DRI hereby grants to Xerox and its subsidiaries and affiliates, a non-exclusive, worldwide, non-transferable royalty free license under any or all: (i) copyrights, (ii) design patents, and/or (iii) utility patents, that are owned or controlled or licensable by DRI and which cover the Licensed DRI GUI: to use, reproduce, prepare or have prepared derivative works of, implement, translate or modify the Licensed DRI GUI and reproduce and distribute the same in solely in conjunction with the Licensed Program. In addition, solely in conjunction with Use of the Licensed Program, Xerox is licensed to copy, display and prepare derivative works of all pictorial, graphical and audio-visual works created as a result of the execution of the Licensed Program.

2.9 No proprietary rights are licensed in Paragraph 2.7 or otherwise in this Agreement to GUI features (or any other aspects) of any software developed by or for Xerox which software is separate from or is not expressly included in Xerox software identified in Paragraph 1.10. Specifically, but without limitation and by way of example, no proprietary rights are licensed in Paragraph 2.7 or otherwise in this Agreement to the software listed in Attachment A, except to the extent such latter software contains GUI features and other aspects co-existing in the GUI created by the execution of the Xerox software identified in Paragraph 1.10.

2.10 No proprietary rights are licensed in Paragraph 2.8 or otherwise in this Agreement to GUI features (or any other aspects) of any software developed by or for DRI which software is separate from or is not expressly included in the Licensed Program software identified in Paragraph 1.1. Specifically, but without limitation and by way of example, no proprietary rights are licensed in Paragraph 2.8 or otherwise in this Agreement to any other DRI software except to the extent such latter software contains GUI features and other aspects co-exisiting in the GUI created by the execution of the Licensed Program.

2.11 DRI grants to Xerox (by way of future assignment) all right, title and interest (including copyright) in and to the DRI derivative works of the Licensed Xerox GUI created by DRI during the term of this Agreement, to the extent such DRI derivative work is not a derivative of the Licensed DRI GUI, free from encumbrance, and reserves for itself a non-exclusive, perpetual, irrevocable, worldwide, royalty-free license under any

and all proprietary rights (excluding trademark and trade secret rights) relating to DRI derivative works of the Licensed Xerox GUI created by DRI to use, reproduce, prepare derivative works of, implement, translate or modify such DRI derivative works of the Licensed Xerox GUI and reproduce and distribute the same. The assignment and license of this Paragraph 2.11 shall exclude the underlying code.

2.12 Xerox grants to DRI (by way of present and future assignment), all right, title and interest (including copyright) in and to the Xerox derivative works of the device driver source code skeletons identified in Paragraph 2 of Attachment F created prior to and during the term of this Agreement and the Licensed DRI GUI created by Xerox during the term of this Agreement, to the extent such Xerox derivative work is not a derivative of the Licensed Xerox GUI, free from encumbrance, and reserves for itself a non-exclusive, worldwide, royalty-free license under any and all proprietary rights (excluding trademark and trade secret rights) relating to Xerox derivative works of the Licensed DRI GUI created by Xerox during the term of this Agreement, to use, reproduce, prepare derivative works of, implement, translate or modify such Xerox derivative works of the Licensed DRI GUI and reproduce and distribute the same solely in conjunction with the Licensed Program. The assignment and license of this Paragraph 2.12 shall exclude the underlying code.

2.13 Each party hereby covenants with the other to do all things and execute any document at its own expense as may be reasonably required by the other from time to time to give effect to the terms, conditions and provisions of this Agreement.

2.14 Xerox hereby releases and grants to DRI immunity from any suit, action cause of action or claim by or through Xerox with regard to any alleged or actual infringement by any past, present or future DRI product of any copyright, patent or other intellectual property right of Xerox in any way related to the Licensed Xerox GUI. Such release extends to all causes of action, claims, suits, demands or other obligations or liabilities, whether known or unknown, Xerox ever had, now has or may in the future have, that may be alleged to arise out of or in connection therewith. Nothing in this Agreement shall be deemed an admission by DRI of any such infringement.

Xerox has read Section 1542 of the Civil code of the State of California, which provides as follows:

> "A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor"

2.15 Xerox hereby grants DRI access from time to time to review a complete set of all Source Code and Object Code and other code, for which access is reasonably requested by DRI and which is in the possession of Xerox, to insure conformity by Xerox with this Agreement. Such access shall be made available to DRI within five (5) business days of a written request by DRI.

3. DELIVERY.

3.1 Xerox hereby acknowledges delivery and receipt of all deliverables under this Agreement.

4. PAYMENT; TAXES

4.1 a) On or before ten (10) days after the Effective Date of this Agreement, Xerox shall pay to DRI the non-refundable sum of Five Hundred Thousand Dollars ($500,000.00), which payment shall constitute a prepaid royalty for the initial One hundred Thousand (100,000) copies of the Licensed Program distributed by Xerox pursuant to Section 2; and

b) Xerox further agrees to pay to DRI a non-refundable per copy charge of Two Dollars and Fifty Cents ($2.50) for each copy of the Licensed Program distributed by Xerox pursuant to Section 2 subsequent to the initial One Hundred Thousand (100,000) copies. Such per copy payments shall be made by Xerox no later than ten (10) days following the last business day of the calendar month in which applicable distribution occurs.

4.2 On or before ten (10) days after the Effective Date of this Agreement, DRI shall pay to Xerox the sum of Two Hundred Fifty Thousand Dollars ($250,000.00), which payment shall be full and complete payment for the license granted pursuant to Paragraph 2.7.

4.3 All payments provided for in this Agreement are net and shall be made in United States currency only.

4.4 If any payment, or any other sum due from Xerox under this Agreement, should become past due, DRI may, without declaring Xerox to be in default, charge Xerox a late payment charge of one and one-half percent (1.5%) per month on the past due balance, but not in excess of the lawful maximum.

5. RECORD KEEPING AND REPORTS.

5.1 Xerox agrees to maintain clear, accurate, and complete shipment records relating to the Products. Xerox shall prepare and submit monthly reports and any applicable per copy payments

to DRI no later than twenty (20) days following the last business day of each calendar month. Each report must specify the types and quantities and blocks of serial numbers of any Product shipped during that month. In the event Xerox distributes copies of the Licensed Program on diskettes in groups or blocks of numbers, logging and subsequent reporting to DRI by such groups is authorized.

5.2 Xerox agrees to allow DRI's independent auditors to audit and analyze appropriate accounting records of Xerox to ensure compliance with all terms of this Agreement. Any such audit shall be permitted by Xerox within fifteen (15) days of Xerox's receipt of DRI's written request to audit, during normal business hours, at a mutually agreed upon time. The cost of such an audit will be borne by DRI unless a material discrepancy indicating inadequate record keeping or that additional license fees are due to DRI is discovered, in which case the cost of the audit shall be borne by Xerox. A discrepancy shall be deemed material if it involves payment or adjustment of more than One Thousand Dollars ($1,000.00) in favor of DRI. Audits shall not interfere unreasonably with Xerox's business activities.

6. TRADEMARKS; COPYRIGHT NOTICES

6.1 The trademarks and trade names under which DRI markets any Product are the property of DRI. This Agreement gives Xerox no rights therein, except the restricted license to reproduce such trademarks and trade names in any authorized reproduction of any Product, provided that DRI is referenced as the owner of the trade name or trademark, as specified in the Software Redistribution Guide.

6.2 Xerox agrees to maintain and respect the trademark, trade name and copyright notices of any Licensed Program and Documentation in connection with its advertisement and, distribution of any Product. Xerox shall request and use best efforts to ensure compliance hereto by all Xerox's distributors and dealers. Copyright notices placed by Xerox shall read as specified in the Software Redistribution Guide. DRI retains the right to specify the quality and standards of all materials upon which a DRI trademark or trade name is used. Failure by Xerox to adhere to such standards of quality shall be grounds for DRI to suspend Xerox's right to reproduce and distribute the Licensed Program(s) until such quality and standards, at DRI's discretion, are met.

6.3 Licensee and Xerox each agree that it shall place its proper copyright notices pursuant to the Universal Copyright Convention on each copy of its software products employing GUI licensed to it under this Agreement, which notice shall be visible on screen start-up for such software, and on media labels and manuals for such software.

6.4 Nothing in this Agreement shall grant to DRI any rights under any trademark or trade name of Xerox.

7. LICENSED PROGRAM REPRODUCTION; SERIALIZATION

7.1 Xerox is authorized to reproduce the Licensed Program at the location of its principal office, 15175 Innovation Drive, San Diego, California 92128, [redacted] locations specified in writing to DRI. → AND AT OTHER LG 2/26/90

7.2 Xerox agrees to consecutively serialize each copy OF THE XEROX PRODUCT THAT USES THE [redacted] Licensed Program [redacted] specified in the Software Redistribution Guide using Xerox's assign number which is registered with DRI. ↓ LG 2/26/90 LG 2/26/90

TO FACILITATE THE ACCOUNTING OF DRI ROYALTIES HEREUNDER.

8. DOCUMENTATION

8.1 Xerox may purchase from DRI Documentation at the price set forth in DRI's then current published ISV Price List. Xerox may imprint or sticker the Documentation with Xerox's name and address, in addition to that of DRI.

8.2 Xerox may reproduce the existing version or a modified version of the Documentation in any language in accordance with the Software Redistribution Guide. Licensee shall promptly furnish DRI with a copy of, and promptly register with the U.S. Copyright Office in the joint names of DRI and Xerox, all translated or modified versions of the Documentation, as a derivative work based upon the original DRI copyrighted material. Xerox shall copyright all translations of the Documentation in the joint names of DRI and Xerox in every country in which it is published. Xerox shall, at its cost, file or register such copyrights where required to obtain protection in a particular country. DRI shall have a nonexclusive right and license to use, reproduce, distribute and prepare or have prepared derivative works based upon, (and use, reproduce and such derivative works) all modified versions of the Documentation. Upon termination of this Agreement, all rights to modified versions of Documentation shall vest in DRI. In such latter event, Xerox shall cooperate and take such actions as DRI may reasonably request to assign all rights in and to modified versions of Documentation to DRI.

9. DISTRIBUTION; EXPORT RESTRICTIONS

9.1 Xerox shall include a copy of the End User Program License Agreement and Registration Card with each copy of the Licensed Program distributed, as specified in the Software Redistribution Guide. Licensee shall use its best efforts to obtain either directly or through its distribution channels, the

signature of the end user on the Registration Card and to cause the prompt return of the Registration Card to Xerox.

9.2 Xerox agrees to comply and will require its distributors and other entities in its chain of distribution to comply with the applicable laws, rules and regulations to preclude the acquisition of unlimited rights to technical data, software and documentation provided with the Licensed Program and Documentation to a governmental agency, and to ensure the inclusion of the appropriate "Restricted Rights" or "Limited Rights" notices required by the U.S. Government agencies. Xerox shall take all reasonable steps to ensure that each intermediate entity in its chain of distribution to the final end user respects DRI's copyrights, trade names and trademarks, complies with the Product handling and licensing requirements of this Agreement, and makes no unauthorized copies of DRI Products.

9.3 End users may use the Licensed Program for the term and in the manner provided for in the End User Program License Agreement. End user rights and obligations set forth therein will survive any termination of the relationship between Xerox and DRI.

9.4 Xerox warrants to DRI that Xerox will do all things necessary to comply with the COCOM and United States Export Administration and other applicable export laws and regulations as they apply to Licensed Programs, Documentation, Products and all other things delivered to, or derived from things delivered to, Xerox under this Agreement.

10. PATENT AND COPYRIGHT INDEMNIFICATION

10.1 DRI will defend any action brought against Xerox to the extent that it is based upon a claim that a Licensed Program, furnished hereunder and used within the scope of a License granted hereunder, infringes a United States copyright or United States patent. DRI will pay resulting costs, damages and legal fees finally awarded against Xerox in such action which are attributable to such claim provided that (1) Xerox notifies DRI promptly in writing of any claim and (2) DRI has sole control of the defense of any such claim and all related settlement negotiations.

10.2 Should the Licensed Program become, or be likely to become, in DRI's opinion, the subject of a claim of infringement of such copyright or patent, DRI may procure for Xerox the right to continue using the Licensed Program, or replace or modify it to make it non-infringing. DRI shall have no liability for, and Xerox shall indemnify and hold DRI harmless from and against any claim based upon (1) Use of other than a current unaltered release of the Licensed Program or (2) Use, operation or combination of the Licensed Program with non-DRI programs or data if such infringement would have been avoided but for such Use, operation or combination.

10.3 This Section 10 states the entire liability of DRI with respect to infringement of copyrights and patents.

11. SUPPORT; MAINTENANCE; WARRANTY DISCLAIMER

11.1 Xerox is solely responsible for all media provided to end users and for passing on to its distributors, dealers and end users all maintenance materials, and for making the changes required in the master reproduction diskettes, both of which Xerox agrees to do. Xerox is solely responsible for all verbal and written contact with its end users of Licensed Programs in the following context: (1) software maintenance: patches and updates, and (2) software support: operational instruction, problem reporting, and technical advice.

11.2 DRI MAKES NO WARRANTY, EXPRESS OR IMPLIED, RESPECTING THE PRODUCT INCLUDING, BUT LIMITED TO, THE IMPLIED WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE AND MERCHANTABILITY.

11.3 Xerox warrants that it is the legal owner of, and has the full right, title, and interest in and to, the Licensed Xerox GUI, and that the Licensed Xerox GUI does not violate or infringe upon any patent, copyright, trade secret or other property right of any other person or entity. Xerox makes no other warranties, express or implied, related to the Licensed Xerox GUI.

12. CONFIDENTIAL INFORMATION.

12.1 All documentation and information which is designated as DRI proprietary or confidential, including without limitation drawings, Source Code, computer program listings, techniques, algorithms and processes and technical and marketing information ("Confidential Information") which is supplied by DRI or Ventura Software, Inc., to Xerox in connection with this Agreement (other than documentation and information intended for distribution to third parties) shall be treated confidentially by Xerox and its employees and shall not be disclosed by Xerox without DRI's prior written consent. Information shall not be considered to be Confidential Information if it (1) is already or otherwise becomes publicly known through no act of Xerox; (2) is lawfully received from third parties subject to no restriction of confidentiality; or (3) can be shown by Xerox to have been independently developed by it prior to such disclosure.

12.2 Xerox shall not copy, reproduce, remanufacture, disassemble the Object Code or in any way duplicate all or any part of the Confidential Information, incciuding translating it into another software language, except in accordance with the terms and conditions of this Agreement and as an authorized licensee of the Source Code. Xerox shall have an appropriate agreement with each of its employees having access to Confidential Information, sufficient to enable Xerox to comply

with all terms of this Agreement. Xerox agrees to protect the Confidential Information with the same standard of care and procedures which it uses to protect its own trade secrets and proprietary information.

13. LIMITATION OF LIABILITY.

13.1 In no event shall DRI be liable for any loss of profits, loss of business, loss of use or of data, interruption of business, or for indirect, special, incidental or consequential damages of any kind whether under this Agreement or otherwise, even if DRI has been advised of the possibility of such damages, or for any claim against Xerox by any other party, except as provided in the Section entitled "Patent and Copyright Indemnification". In no case will DRI be liable for any representation or warranty made to any third party by Xerox, any agent of Xerox, any distributor or dealer or other person or entity in the distribution chain.

13.2 Notwithstanding anything in this Agreement to the contrary, DRI's entire liability to Xerox for damages concerning peformance or nonperformance by DRI or in any way related to the subject matter of this Agreeement and regardless of whether the claim for such damages is based in contract or in tort, shall not exceed the amount of the payments made hereunder by Xerox to DRI prior to such claim.

14. TERM; TERMINATION.

14.1 The term of this Agreement shall be perpetual.

14.2 DRI may, at its option, terminate this Agreement and the licenses granted hereunder if Xerox fails to meet any of Xerox's obligations under this Agreement.

14.3 The rights and licenses of DRI, including but not limited to the ownership provisions set forth therein, in Paragraphs 2.7, 2.11 and 2.12 and the ownership rights and obligations of Xerox in Sections 4 and 12 and Paragraph 2.8 shall survive any termination or assignment of this Agreement. The obligations of Xerox in Section 12 shall remain in effect until the earlier of such time as the Confidential Information becomes in the public domain or Three (3) years following the Effective Date of this Agreement, except for Source Code which shall be perpetual. Upon termination of this Agreement, Xerox shall discontinue marketing and reproduction of the Product. Upon termination Xerox shall promptly return and make no further use of property, materials and other items and all copies thereof belonging to DRI relating to this Agreement.

14.4 The respective rights and obligations of DRI and Xerox

under the provisions of Paragraphs 2.13, 2.14, 2.15 and Sections 5, 10, 11, 13, 14 and 16 of the Agreement and Paragraphs 1, 3 and 4 of Attachment F to this Agreement shall survive any termination or assignment of this Agreement.

14.5 Xerox understands and acknowledges that violation of Xerox's obligations pursuant to this Agreement may cause DRI irreparable harm and damage, which may not be recovered at law, and Xerox agrees that DRI's remedies for breach of this Agreement may be in equity by way of injunctive relief, as well and any other relief available, whether in law or in equity.

14.6 This Agreement is executory in nature and so long as Licensee has any continuing obligations hereunder, DRI shall be entitled to protect the Source Code and master reproduction diskettes of the Licensed Programs by impoinding in the event that Licensee fails to promptly perform any obligation under this Agreement which would fully protect DRI's proprietary rights. No trustee, receiver or debtor in possession may retain the Licensed Programs in any form or sell or license any Products, unless all of the provisions of 11 U.S.C. Section 365 of the United States Bankruptcy Act have been complied with and DRI is adequately protected.

15. ASSIGNMENT.

15.1 Assignment by Xerox

This Agreement and the licenses hereunder are not assignable by Xerox, nor are the obligations imposed on Xerox delegable; provided, however that Xerox may assign this Agreement to a third party upon prior written notice to DRI subject to the following:

1) The following provisions of this Agreement shall be inapplicable to the Agreement as assigned:

a) the parenthetical exception to transferability appearing in lines 2 and 3 of Paragraph 2.1; and

b) Paragraphs 1.9, 1.10, 1.11, 1.12, 2.2, 2.3, 2.6, 2.7, 2.8, 2.9, 2.10,. 2.11, 2.12, 2.13, 2.14, 4.1, 4.2, 6.3, 6.4, 11.3, the first sentence of Paragraph 14.3, the references to Paragraphs 2.13 and 2.14 in Paragraph 14.4, Paragraph 2 of Attachment F; and all references to Source Code appearing in Section 4 of Attachment C; and

2) the Assignee shall assume all obligations hereunder and be bound by all other provisions of this Agreement as they apply to Xerox; and

3) the Agreement as assigned shall not be further assignable, nor shall the obligations under the Agreement as

assigned be delegable by the Assignee; and

4) the Assignee shall agree to pay to DRI pursuant to the Agreement as assigned a non-refundable per copy charge equal to the greater of Five Dollars ($5.00) or DRI's then current ISV charge for GEM System Software for each copy of the Licensed Program distributed by the Assignee pursuant to Section 2 of the Agreement as assigned. Such per copy payments shall be made by the Assignee no later than ten (10) days following the last business day of the calendar month in which applicable distribution occurs; and

5) all the provisions of this Agreement specified in Paragraphs 14.2 and 14.4 hereof as provisions surviving any assignment of this Agreement shall remain in full force and effect between Xerox and DRI, notwithstanding any such assignment; and

6) except with respect to any ownership rights assigned to Xerox pursuant to this Agreement prior to such assignment, upon such assignment a) Xerox shall return all Source Code to DRI; b) Xerox shall have no further right or license under this Agreement; and c) DRI shall have no further obligation or liability hereunder to Xerox.

15.2 Assignment by DRI

a) This Agreement and the rights and licenses granted to DRI by Xerox hereunder are assignable by DRI upon prior written notice to Xerox; provided however that DRI may assign the license to the Licensed GUI specified in Paragraph 2.8 of this Agreement solely in conjunction with DRI products in existence at the time of such assignment, and/or derivative works thereof created subsequent to any such assignment. Subject to the preceding sentence, all the provisions of this Agreement specified in Paragraphs 14.3 and 14.4 as surviving any assignment of this Agreement shall remain in full force and effect between Xerox and the Assignee. The Assignee shall assume all obligations hereunder and be bound by all other provisions of this Agreement as they apply to DRI.

b) Further, in the event that ownership or control of DRI passes to an unrelated entity which is owned or controlled by a software or computer company having annual sales of software or computers in excess of one hundred million dollars ($100,000,000), then, in that event, the license to the Licensed Xerox GUI specified in Paragraph 2.8 of this Agreement shall be considered to be assigned by DRI, for the purpose of imposing the conditions specified in the first sentence of Paragraph 15 a) above, which conditions shall then apply.

16. GENERAL.

16.1 In the event that any one or more of the provisions of this Agreement shall be found to be illegal or unenforceable,

then notwithstanding, this Agreement shall remain in full force and effect, and such term or provision shall be deemed stricken.

16.2 No party's right to require performance of any other party's obligations hereunder shall be affected by any previous waiver, forbearance, or course of dealing.

16.3 This is a license agreement. No agency, partnership, joint venture or other joint relationship is created hereby and no party's agents have any authority of any kind to bind the other in any respect whatsoever. Xerox Corporation and Xerox Desktop Software shall be jointly and severably liable for the obligations of Xerox Inc. set forth in this Agreement.

16.4 No party is not responsible for failure to fulfill its obligations under this Agreement due to causes beyond its reasonable control.

16.5 Wherever in this Agreement any party's consent is required, such consent shall not be unreasonably withheld or delayed.

16.6 This Agreement, including Attachments A through F attached hereto, constitutes the entire understanding among DRI and Xerox and supersedes all proposals, oral or written, and all communications between the parties relating to the subject matter of this Agreement. The terms and conditions of this Agreement shall prevail, notwithstanding any variance with any purchase order or other written instrument submitted by Xerox, whether formally rejected by DRI or not. This Agreement may be amended or modified only by a writing signed by each party.

16.7 The parties expressly stipulate that all litigation under this Agreement shall be brought in the State courts of the County of Monterey, California or the United States District Court for the Northern District of California. Xerox and DRI agree that Monterey, California is both the place of making and the place of performance of this Agreement.

16.8 Notices under this Agreement shall be sufficient only if mailed by certified or registered mail, return receipt requested or personally delivered to the parties. Notice by mail shall be deemed received three days after deposit. Notices to DRI or Xerox as appropriate shall be sent to the address of such party specified as first shown above. Any changes to such notice address by either party shall be in writing to the other party.

16.9 This Agreement shall not be construed as obligating either Xerox or DRI to bring any legal action relating to the proprietary rights licensed hereunder.

16.10 Except as expressly provided herein or provided in writing by a party hereto, each party agrees not to use or refer to the Agreement or any provision of or rights granted under this Agreement in any publicity, advertising, or promotional activity.

Each party shall similarly obligate its sublicensees.

16.11 This Agreement shall be governed by and construed in accordance with the laws of the State of California.

16.12 Nothing in this Agreement shall be construed so as to preclude any party from independently developing graphics user interface(s) without access to another party's Licensed GUI licensed hereunder. Where applicable, such party shall provide appropriate evidence of such independent development without access, upon the reasonable request of the another party.

17. ADDITIONAL TERMS

The Additional Terms set forth in Attachment F are hereby incorporated into this Agreement.

DRI and Xerox have caused this Agreement to be executed by their duly authorized representatives on the respective dates entered below.

DIGITAL RESEARCH (CALIFORNIA) INC.

By: _____
Authorized Signature

Name: Peter F. D. Crotti
(Print or Type)

Title: VP + CFO

Date: 2/23/90

XEROX CORPORATION

By: _____
Authorized Signature

Name: AUSTIN E VANCHIERI
(Print or Type)

Title: Pres. I.P.D.

Date: 2/28/90

XEROX DESKTOP SOFTWARE, INC.

By: _____
Authorized Signature

Name: LARRY J GERHARD
Print or Type

Title: PRESIDENT, CEO

Date: 2/26/90

Each party shall similarly obligate its sublicensees.

16.11 This Agreement shall be governed by and construed in accordance with the laws of the State of California.

16.12 Nothing in this Agreement shall be construed so as to preclude any party from independently developing graphics user interface(s) without access to another party's Licensed GUI licensed hereunder. Where applicable, such party shall provide appropriate evidence of such independent development without access, upon the reasonable request of the another party.

17. ADDITIONAL TERMS

The Additional Terms set forth in Attachment F are hereby incorporated into this Agreement.

DRI and Xerox have caused this Agreement to be executed by their duly authorized representatives on the respective dates entered below.

DIGITAL RESEARCH (CALIFORNIA) INC.

By: _____
Authorized Signature

Name: PETER T. DiCORTE
(Print or Type)

Title: VP + CFO

Date: 2/23/90

XEROX CORPORATION

By: _____
Authorized Signature

Name: _____
(Print or Type)

Title: _____

Date: _____

XEROX DESKTOP SOFTWARE, INC.

By: _____
Authorized Signature

Name: LARRY J. GERHARD
Print or Type

Title: PRESIDENT, CEO

Date: 2/26/90

ATTACHMENT A

SOFTWARE EXPRESSLY EXCLUDED BY PARAGRAPH 2.9

Version of ViewPoint after 2.0; all VP Series applications not expressly recited in Paragraph 1.0 including for example: VP PC Emulation, VP Long Document Option, Librarian Service, VP Hand-Free Drawing, VP Xerox Classic Fonts, and VP List Manager; and ROOMS, NoteCards, Newport, Dalient, all Lisp based software including Interslip-D and LOOPS and PCL and JLisp; the Maiko port, Silica, Instructional Design Environment, ARK, Colab, Media Space, Thangka Video Retrieval, Punk, Trollope, Word Nerd, Cedar Desktops, NLParser, Zones, Image EMACS, ATMS/NoteCards, Stream Aligning, Text Translation Alignment, X Windows for Flat Concurrent Prolog, Everything Editor, Camtree/Conetree, Time Wall and Infogrid.

Attachment B

DIGITAL RESEARCH

END USER PROGRAM LICENSE AGREEMENT

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Attachment C

1. Licensed Program:

GEM System Software Release 2.X (MS-DOS) as upgraded to GEM System Software Release 3.1 (MS-DOS)

2. Xerox Software Product:

Ventura Publisher
Formbase

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4.1.1 GEM/3 GDOS

The GDOS portion of GEM/3 R.3.1 is identified as GEMVDI.EXE.

4.1.2 Derivative AES

The following functions have been implemented:

APPL_WRITE, APPL_BVEST, root functions
APPL_INIT, APPL_EXIT, overlayed functions

EVNT_MULTI, root function
EVNT-DCLICK, overlayed function

MENU_BAR, overlayed function

OBJC_DRAW, root function, certain object types/effects not supported
OBJC_FIND, OBJC_OFFSET, OBJC_CHANGE, root functions
OBJC-EDIT, overlayed function

FORM_ALERT, FORM_CENTER, root functions
FORM_DO, FORM_DIAL, FORM_BUTTON, overlayed functions

GRAF_SLIDEBOX, GRAF_MOUSE, GRAF_MKSTATE, root functions
GRAF_HANDLE, overlayed function
FSEL_INPUT, overlayed function

WIND_GET, WIND_UPDATE, root functions
WIND_CREATE, WIND_CLOSE, WIND_DELETE, overlayed functions
WIND_SET, WIND_CALC, overlayed functions
WIND_OPEN, overlayed function, only 1 window of 1 type

SHEL_READ, overlayed funcion

4.1.3 Device Driver machine
Readable Source Code
Skeletons

4.1.4 "GEM Setup"
Documentation
Reprint Rights

Attachment D

(Insert standard Xerox Registration Card)

Attachment E

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Copyright Guidelines

Trademark Guidelines

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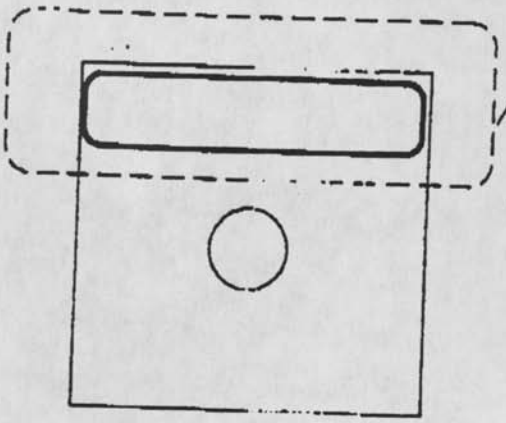

DR DOS™

Users and Reference Guide

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Attachment F

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Release

This Agreement is made by and between Digital Research (California) Inc. ("DRI") and Ventura Software Inc. ("Licensee") as of the date ("Effective Date") on which a) Xerox Desktop Software, Inc. and Ventura Software Inc. execute a Software Acquisition Agreement transferring title to Ventura Publisher to Xerox; or b) a Software License Agreement is executed by and among DRI, Xerox Corporation and Xerox Desktop Software, Inc., whichever last occurs.

WHEREAS, DRI and Licensee executed an ISV Software License Agreement effective ("ISV Software License Agreement") October 22, 1985, Amendment No. I thereto dated October 22, 1985 (as subsequently amended by Revision No. I dated August 25, 1987) ("Amendment No. I"), and Amendment No. II dated September 21, 1988 ("Amendment No. II") (such ISV Software License Agreement and Amendments are collectively referred to herein as the "ISV Agreement"); and

WHEREAS, DRI and Licensee desire to terminate such ISV Agreement pursuant to the terms and conditions set forth in this Termination Agreement;

NOW THEREFORE, the parties agree as follows:

1.0 TERMINATION OF ISV AGREEMENT

1.1 In consideration of the terms, conditions and provisions contained in this Termination Agreement, the parties each agree with the other to terminate the ISV Agreement with effect as of the Effective Date of this Termination Agreement and, except with respect to those surviving provisions set forth below, hereby agree to waive any rights and remedies, if any, that may have arisen against the other party under the ISV Agreement. This Termination Agreement is expressly acknowledged to be in full and final settlement of any such rights and remedies. All the obligations of each party, other than pursuant to such surviving provisions set forth below, under the terms, conditions and provisions of the ISV Agreement are null and void with effect from the Effective Date of this Agreement.

Each party on behalf of itself, and its officers, directors, agents, affiliates, successors and assigns acknowledges that it has no claims against the other based on the ISV Agreement and, except as specified in this Section 1, releases the other and their officers, directors, agents affiliates, successors and assigns from all causes of action, claims, suits, demands, or other obligations or liabilities, whether known or unknown, it ever had, now has, or may in the future have, that may be alleged to arise out of or in connection with the ISV Agreement.

Each party has read Section 1542 of the Civil Code of the State of California, which provides as follows:

> "A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor."

Each party understands that Section 1542 gives it the right not to release existing claims of which it is now not aware, unless it voluntarily chooses to waive this right. Having been so apprised, it nevertheless hereby voluntarily elects to, and does, waive the rights described in Section 1542, and elects to assume all risks for claims that now exist in its favor, known or unknown, related to the ISV Agreement, except with respect to those surviving provisions specified below.

Both parties have been advise by counsel in the negotiation and execution of this document and enter into this agreement willingly with the full intention to release the claims described.

1.2 Licensee hereby represents and warrants that it has not granted a site license pursuant to Paragraph 6r of Supplement A to Amendment No. I. Licensee hereby further represents and warrants that Xerox Corporation has informed Licensee, and that to the best of Licensee's knowledge Licensee believes, that Xerox Corporation has not granted a site license pursuant to Paragraph 6r of Supplement A to Amendment No. I and that none of the licenses described in Paragraph 6k of Supplement A to Amendment No. I continue to exist.

1.3 The following provisions of the ISV Agreement shall survive the termination of the ISV Agreement set forth hereinabove and shall remain in full force and effect:

<u>In the ISV Software License Agreement</u>:

a) Licensee hereby assigns to DRI all right, title and interest in and to the Derivative Works described in Paragraphs 2.3 and 8.2, free form encumbrance. Licensee shall cooperate and take such actions as DRI may reasonably request in furtherance of such assignment;

b) any obligations regarding payments or taxes payable by Licensee accruing through the Effective Date of this Termination Agreement;

c) the representations, rights,warranties and obligations set forth in Sections 5, 12, 13, 16 and Paragraphs 9.3, 14.3, and 14.4;

In Amendment No. I:

Paragraphs 6h(i), 6h(ii), 6h(iii), 6l(3), 6m, DRI's ownership rights specified in Paragrah 6p of Supplement A and Attachment A to Supplement A;

In Amendment No. II:

Paragraph 10, the non-disclosure provision of Paragraph 2, DRI's ownership interests in and to the Derivative AES specified in Paragraph 3, DRI's license rights specified in Paragraph 4, and DRI's ownership rights specified in Paragraph 7.

3.1 Entire Agreement

This Termination Agreement contains the entire agreement between the parties in respect of the subject matter hereof and supersedes all prior agreements and understandings, whether made in writing or orally, between the parties. Any amendment or variation to this Termination Agreement shall only be effective if evidenced in writing and executed by the parties.

3.2 Governing Law

The validity and performance of this Agreement shall be governed and construed in accordance with California law excluding that body of law applicable to choice of law, and in accordance with U.S. federal law as to matters affecting copyrights and patents.

3.3 Jurisdiction; Venue

The parties expressly stipulate that all litigation under this Agreement shall be brought in the State courts of the County of Monterey, California and the United States District Court for the Northern District of California. DRI and Licensee agree that Monterey, California is both the place of making and the place of performance of this Agreement.

DIGITAL RESEARCH (CALIFORNIA) INC.

By: _____
Authorized Signature

Name: Peter J. DiCosta

Title: VP/CFO

Date: February 26, 1990

VENTURA SOFTWARE INC.

By: John H. Mayer

Name/Title: President

By: Dan Harris

Name/Title: VP Engineering

By: Lee Hogan

Name/Title: VP R+D

Date: February 28, 1990

(2/22/90)

Ventura
Ventura Software, Inc.

Termination Agreement

THIS TERMINATION AGREEMENT ("Agreement") is made as of the 28th day of February, 1990 by and between Ventura Software, Inc. a California corporation ("Ventura") and Edco Services Incorporated a Florida corporation ("Edco").

Recitals

Ventura and Edco entered into the License Agreement dated September 20, 1988, pursuant to which Edco granted Ventura the worldwide, nonexclusive, license to distribute certain products of Edco. This agreement superseded a previous agreement between the two companies dated June 10, 1987. Edco and Xerox Desktop Software, Inc., an affiliate of Xerox ("Xerox Desktop"), have entered into an agreement, effective the same day as this Agreement, pursuant to which Xerox Desktop has agreed to distribute certain products of Edco and pay Edco for all such shipments subsequent to December 31, 1989. Ventura and Edco now wish to terminate the License Agreement.

NOW, THEREFORE, the parties agree as follows:

The License Agreement between Ventura and Edco shall be terminated as of the date hereof and all rights and obligations thereunder shall cease. Neither party shall hereafter have any right, obligation or liability whatsoever under the License Agreement, whether accruing before or after the date hereof. Ventura acknowledges that one final payment in the amount of $28,548.00 is due Edco under the License Agreement for products shipped prior to January 1, 1990 and that this payment was sent to Edco via nationally recognized overnight courier on February 28, 1990.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first written above.

VENTURA SOFTWARE, INC.,
a California corporation

By: John H. Meyer
John H. Meyer, its President

EDCO SERVICES, INCORPORATED
a Florida corporation

By: Edward Cohen

Name: Edward Cohen

Title: Pres

Bitstream

Bitstream Inc.
Athenaeum House
215 First Street
Cambridge, MA 02142

617 497-6222
Telex 467237
Fax 617 868-4732

February 27, 1990

Arvel Bowyer
Executive Vice President, Operations
Xerox Desktop Software
9745 Businesspark Avenue
San Diego, CA 92131

RE: Assignment of License Agreements between Bitstream Inc. and Ventura Software, Inc. to Xerox Desktop Software

Dear Mr. Bowyer:

Thank you for your letter of February 6, 1990 to Elizabeth McNichol, regarding the proposed assignment of four (4) license agreements between Bitstream Inc. ("Bitstream") and Ventura Software, Inc. ("Ventura") to Xerox Desktop Software ("XDS") in connection with your acquisition of all of the assets of Ventura.

Subject to the limitations discussed below, Bitstream hereby consents to the assignment and transfer to XDS of all of Ventura's rights and obligations under the following agreements: (1) Agreement Licensing Digital Typefaces dated April 15, 1986; (2) License Agreement dated August 31, 1987; (3) letter agreement dated October 26, 1987; and (4) Agreement Licensing Typeface Outlines dated November 3, 1989. Bitstream's consent to the assignment and transfer of these agreements is conditioned upon XDS's written assumption of all of Ventura's rights and obligations under those agreements. In addition, XDS must acknowledge that the rights in Bitstream products which it acquires through the assignment of the agreements extend only to XDS, and not to any of its corporate affiliates; that such rights may not be transferred or sublicensed to any of XDS' corporate affiliates without Bitstream's express written consent; and that XDS acquires only those rights expressly granted to Ventura by Bitstream under the agreements and may not use or sublicense the licensed Bitstream products except as expressly permitted in the agreements. This acknowledgement is necessary because, as I am sure you are aware, the three most recent agreements were directed at establishing a co-marketing relationship between Bitstream and Ventura and, accordingly, Bitstream granted Ventura licenses to certain of its products for little or no monetary consideration on the understanding that they would be used and marketed only in certain specified ways. We wish to continue within the framework of this relationship after your acquisition of Ventura.

If the foregoing is acceptable to you, please countersign both copies of this letter in the space provided below and return one of them to my attention, retaining the other for your records.

Please do not hesitate to contact me if I may be of further assistance.

Very truly yours,

Carolyn E. Ramm
Counsel

CER:cec

Enclosure

AGREED TO AND ACCEPTED

Xerox Desktop Software

By: _____

Name: ARIEL R. BOWYER

Title: EXECUTIVE VICE PRESIDENT, OPERATIONS

Date: 2-28-90

cc: Jim Welch
Elizabeth McNichol
Bill Andrews

FARELLA, BRAUN & MARTEL
A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS
ATTORNEYS AT LAW
RUSS BUILDING, 30TH FLOOR
235 MONTGOMERY STREET
SAN FRANCISCO, CALIFORNIA 94104
(415) 954-4400

ANK E. FARELLA, PC
OHN S. MARTEL, PC
VICTOR J. HAYDEL, III, PC
JON F. HARTUNG, PC
WILLIAM R. FRIEDRICH, PC
R. FREDERICK CASPERSEN, PC
JOHN L. COOPER, PLC
RANDALL W. WULFF, PC
ROGER B. POOL
DEBORAH S. BALLATI, PC
CHARLES M. SINK
DANIEL H. BOOKIN
WILLIAM J. SCHLINKERT
EDWARD ASHTON CHERRY
MARY E. McCUTCHEON
STEVEN R. LOWENTHAL
CRAIG S. MEREDITH
LINDA M. ROSS
NANCY J. KOCH
GEORGIA H. MEAGHER
DEAN M. GLOSTER
MATTHEW J. LEWIS
JOHN D. GREEN
MICHAEL P. BURNS
CHARLES H. NUMBERS
DENNIS M. CUSACK
MARIA BARTON
RICHARD VAN DUZER
ADAM C. DAWSON
EMILY M. DE FALLA
AMY B. BEER
JENNIFER SCHWARTZ
MARK J. KLAIMAN
JANE FELDER

JEROME I. BRAUN
GARY S. ANDERSON, PC
MICHAEL GETTELMAN, PC
H. LEE VAN BOVEN, PC
JEFFREY P. NEWMAN, PC
ALAN E. HARRIS, PC
BRUCE R. MacLEOD
NEIL A. GOTEINER, PC
DOROTHY A. BERNOT
DOUGLAS R. YOUNG
MARY ELLEN RICHEY
RICHARD J. COLLIER
BRUCE E. MAXIMOV
JAMES W. MORANDO
KRISTINA E. HARRIGAN
MORGAN P. GUENTHER
ANN G. DANIELS
MARK D. PETERSEN
SANDRA A. LAMBERT
ANDREW P. BRIDGES
NORMA G. FORMANEK
DANIEL E. COHN
C. BRANDON WISOFF
DOUGLAS SORTINO
TIELA M. CHALMERS
MARY G. MURPHY
CHAN M. STROMAN
LEORA GERSHENZON
DAVID F. McGONIGLE
BRUCE D. GOLDSTEIN
JEFFREY R. SEUL
ALFREDO A. BISMONTE
KATHRYN OLIVER
PAULETTE J. TAYLOR

OF COUNSEL
EMIL ROY EISENHARDT
DAVID BICKFORD GIDEON
SPECIAL COUNSEL
ROBERT A. MARTIN
JACQUELINE U. MOORE
DONALD J. PUTTERMAN

STEPHEN E. CONE (1947-1987)

TELEX
340509 F.B & M SFO

FACSIMILE
954-4480 954-4481

DIRECT DIAL NUMBER

February 28, 1990

Xerox Desktop Software, Inc.
15175 Innovation Drive
San Diego, CA 92128

Re: **Ventura Software, Inc.**

Gentlemen:

We have acted as counsel to Ventura Software, Inc. ("the Company") in connection with the sale to Xerox Desktop Software, Inc. of certain software (the "Software"), as contemplated in the Software Acquisition Agreement between the Company and Xerox Desktop Software, Inc., dated February 28, 1990 (the "Agreement"). This opinion is rendered pursuant to Section 2.1(c) of the Agreement. Unless otherwise defined herein, defined terms in this letter shall have the same meaning as when used in the Agreement.

For purposes of this opinion, we have reviewed the originals or copies identified to our satisfaction of the following documents: (i) the Agreement; (ii) copies of the Restated Articles of Incorporation and the By-Laws of the Company, certified by the Secretary of the Company; (iii) a good standing certificate from the California Secretary of State, dated February 28, 1990, certifying that the Company is duly qualified and in good standing in such state; (iv) certified copies of resolutions of the Company dated as of February 28, 1990 approving and authorizing the sale of the Software and the

execution of all documents pursuant to the Agreement; and (v) a certificate of the Secretary of the Company dated as of February 28, 1990 certifying the names, title and signature of the officers of the Company authorized to execute the Agreement and the instruments and documents executed and delivered by the Company as of the Closing.

In our examination of the foregoing specified documents and other certificates, records and documents, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals, the conformity with the original documents of all documents submitted to us as certified or telecopies or photostatic or reproduced copies, and the accuracy and completeness of all corporate records and documents (as supplemented or amended by certificates of officers, directors, and others and/or subsequent actions by the Board of Directors and/or shareholders of the Company) and of all certificates and statements of fact, in each case given or made available to us by the Company and its officers or directors.

Except as specified above, we have not inspected or reviewed the books, records or assets of the Company. We have made no independent investigation of any matter of fact relevant to the opinions contained herein, nor have we independently verified information received from third parties. As to factual matters, we have relied solely on the statements contained in the documents listed above.

The use in this opinion letter of the phrase "to our knowledge" means that the opinion expressed in the applicable paragraph is limited exclusively to the current, actual knowledge of Mary Ellen Richey and Amy Beer, who are the attorneys with our firm who have worked on this matter. We have represented the Company in connection with specific transactions only. We have not acted as outside general counsel and are not generally familiar with the Company's history or affairs.

Subject to the foregoing and the qualifications set forth below, it is our opinion that:

1. The Company is a corporation duly organized, validly existing, and in good standing under the laws of the State of California and has full power and authority to own and operate its properties and assets, and to carry on its business as presently conducted. To our knowledge, the Company is duly qualified and authorized to do business, and is in good standing as a foreign corporation, in each jurisdiction where the failure

to so qualify would have a material adverse effect on the Software.

2. The Company has all requisite corporate power to enter into the Agreement and to carry out and perform its obligations thereunder.

3. The execution, delivery and performance of the Agreement has been duly and validly authorized by all corporate action required to be taken by the Company and the Agreement is the legal, valid and binding obligation of the Company and is enforceable against the Company in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting the rights of creditors generally and to the availability of equitable remedies (whether an action is brought at law or in equity).

4. To our knowledge, the Company is not in violation of any term of its Articles or By-Laws and the execution, delivery and performance of the Agreement will not result in any such violation.

5. We have participated in conferences with officers of the Company in which the representations and warranties contained in Article IV of the Agreement were discussed. Although we are not passing upon, do not assume any responsibility for and have made no independent verification of the accuracy, completeness or fairness of the representations and warranties, we advise you that nothing has come to our attention in the course of those conferences in which we have participated that leads us to believe that the representations and warranties (including the representations as to ownership and encumbrances set forth in Section 4.11(b) of the Agreement) contain any untrue statement of a material fact.

The foregoing opinions are subject to the following qualifications:

(a) This opinion is limited to the existing laws of the state of California and the United States of America. We express no opinion with respect to the effect on this transaction of the laws of any other time or jurisdiction.

(b) We express no opinion as to the applicability of the laws of any particular jurisdiction.

(c) We express no opinion on the applicability or effect of or compliance with the Revenue and Taxation Code of the State of California or the Internal Revenue Code of 1986 of the United States.

(d) We express no opinion on the enforceability of provisions in the Agreement whose terms are left open for later resolution by the parties.

(e) We express no opinion on the applicability or effect of or compliance with any state or federal securities laws.

(f) All opinions expressed herein are subject to the following, as applicable: (i) the parties' duty to act in accordance with the covenants of good faith and fair dealing implied in every agreement under California law, which has been construed (among other things) to require parties to act reasonably and in good faith when exercising rights and remedies afforded by the contract; (ii) Section 1670.5 of the California Civil Code regarding unconscionability of contracts and related case law dealing with common law defenses based on unconscionability, duress, unequal bargaining power and similar theories; and (iii) the parties' duty to act in accordance with the obligations of good faith and commercial reasonableness under the California Commercial Code.

(g) We express no opinion as to the validity or enforceability of (i) any indemnity obligations imposed by or arising under the Agreement to the extent such obligations allow indemnification for the indemnitees' own wrongful acts or are otherwise contrary to public policy; (ii) any provision of the Agreement that could be construed as a penalty for non-performance or impose a forfeiture, except to the extent complying with applicable California statutes regarding liquidated damages; or (iii) any provision of the Agreement authorizing a remedy or action against a party based upon the occurrence of a non-material breach, or upon false or misleading representations to the extent the other party's reliance therein was not reasonable in the circumstances or if the enforcement of the provision would be unreasonable under then-existing circumstances.

(h) A requirement that provisions in the Agreement may be waived only in writing may not be enforced to the extent that an oral agreement has been performed modifying the provisions of the Agreement.

(i) The parties' rights to attorneys' fees will be modified to the extent inconsistent with California Civil Code Section 1717 and case law decided thereunder.

(j) We express no opinion as to the Company's or the Buyer's title to or ownership of any software or other assets.

The opinions expressed in this letter are based upon the applicable laws and regulations in effect as of the date of this letter. We expressly decline any continuing obligation to advise you after the date of this letter of any changes in the foregoing or any changes of circumstances of which we may become aware that may affect the conclusions reached herein. This letter has been prepared solely for your benefit, and it may not be quoted in full or in part or otherwise referred to, or filed with or furnished to any other person or entity, with or without reference to our firm, without the prior written consent of this firm.

Very truly yours,

Farella, Braun & Martel

FARELLA, BRAUN & MARTEL

ABB:mab
2309\90011601

State of California

OFFICE OF THE SECRETARY OF STATE

CERTIFICATE OF STATUS
DOMESTIC CORPORATION

I, MARCH FONG EU, *Secretary of State of the State of California, hereby certify:*

That on the 8th *day of* October, *19* 85,

VENTURA SOFTWARE, INC.

became incorporated under the laws of the State of California by filing its Articles of Incorporation in this office; and

That no record exists in this office of a certificate of dissolution of said corporation nor of a court order declaring dissolution thereof, nor of a merger or consolidation which terminated its existence; and

That said corporation's corporate powers, rights and privileges are not suspended on the records of this office; and

That according to the records of this office, the said corporation is authorized to exercise all its corporate powers, rights and privileges and is in good legal standing in the State of California; and

That no information is available in this office on the financial condition, business activity or practices of this corporation.

THE GREAT SEAL OF THE STATE OF CALIFORNIA
EUREKA

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this 27th *day of* February, 1990

March Fong Eu

Secretary of State

CERTIFICATE

The undersigned, being the duly elected and acting Secretary of Ventura Software, Inc., a California corporation (the "Corporation"), do hereby certify that attached hereto is a true and correct copy of resolutions duly adopted by the Board of Directors of the Corporation by unanimous written consent dated February 24, 1990, and that said resolutions are in full force and effect and have not been amended, rescinded or modified.

IN WITNESS WHEREOF, I have hereunto set my hand this 25th day of February, 1990.

Secretary

ACTION BY UNANIMOUS
WRITTEN CONSENT OF DIRECTORS
OF
VENTURA SOFTWARE, INC.

The undersigned, being all of the members of the Board of Directors of Ventura Software, Inc., a California corporation (the "Corporation"), hereby adopt the following resolutions pursuant to Section 307 of the California Corporations Code and the bylaws of the Corporation:

WHEREAS, it is deemed to be in the best interests of the Corporation to sell to Xerox Dekstop Software, Inc., a Delaware corporation ("Xerox"), substantially all of the assets of the Corporation, including but not limited to certain software and the right, title and interest of the Corporation in and to the names "Ventura Software" and "Ventura Publisher," and in connection therewith to terminate the Software Development and License Agreement by and between the Corporation and Xerox Corporation, and to enter into a non-competition agreement in favor of Xerox for a term of approximately four years, for a total consideration of $18.5 million (including amounts allocated to various covenants and services);

NOW, THEREFORE, BE IT RESOLVED, that the Software Acquisition Agreement by and among the Corporation, Xerox and John Meyer, Don Heiskell and Lee Lorenzen (the "Agreement), the Non-Competition Agreement between the Corporation and Xerox (the "Non-Competition Agreement) and the Guaranty of Xerox Corporation, each in substantially the form attached as Exhibit A, are hereby approved;

RESOLVED FURTHER, that the proper officers of the Corporation be, and they hereby are, authorized and directed, for and on behalf of the Corporation, to execute and deliver the Agreement and the Non-Competition Agreement and to accept delivery of the Guaranty with such changes thereto and modifications thereof as they shall, in their sole discretion, deem necessary, proper or advisable and in the best interests of the Corporation;

RESOLVED FURTHER, that Article I of the Articles of Incorporation be amended to read in its entirety as follows:

> "Article I. The name of this corporation is DLJ Software, Inc.";

RESOLVED FURTHER, that the proposed sale of assets and amendment to the Corporation's Articles of Incorporation be submitted to the shareholders of the Corporation for their consideration and approval;

RESOLVED FURTHER, that the proper officers of the Corporation be, and they hereby are, authorized and directed, for and on behalf of the Corporation, to execute and deliver all other documents,

including but not limited to a Bill of Sale and an Assignment and Assumption Agreement, which may be necessary, proper or advisable and in the best interests of the Corporation to carry out the terms and provisions of the Agreement and the transactions contemplated thereby.

DATED: February 28, 1990

John Meyer

Lee Lorenzen

Don Heiskell

ACTION BY UNANIMOUS WRITTEN CONSENT
OF THE SHAREHOLDERS OF
VENTURA SOFTWARE, INC.

Effective as of February 14, 1990

The undersigned, being all of the shareholders of Ventura Software, Inc., a California corporation (the "Corporation"), hereby adopt the following resolutions by unanimous written consent pursuant to Section 603 of the California Corporations Code and the bylaws of the Corporation:

WHEREAS, the Board of Directors of the Corporation has approved the sale of substantially all of the assets of the Corporation pursuant to a draft Software Acquisition Agreement by and among the Corporation, Xerox Dekstop Software, Inc., and John Meyer, Don Heiskell and Lee Lorenzen (the "Agreement") for a total consideration (including amounts payable for related covenants and services of the Corporation and its employees and shareholders) of $18.5 million;

WHEREAS, included in the assets to be sold pursuant to the provisions of the Agreement is the right, title and interest of the Corporation in and to the names "Ventura Software" and "Ventura Publisher";

WHEREAS, it is deemed to be in the best interests of the Corporation that its shareholders approve the terms and provisions of the Agreement; and

WHEREAS, the Board of Directors of the Corporation has approved an amendment to the Corporation's Articles of Incorporation changing the name of the corporation.

NOW, THEREFORE, BE IT RESOLVED, that the sale of substantially all of the assets of the Corporation on substantially the terms set forth in the Agreement draft presented to the shareholders (including the method of allocation of the purchase price as provided therein) and the distribution of the funds received in connection with such transfer to the shareholders and employees of the Corporation as shown on Exhibit A, are hereby approved, ratified and confirmed;

RESOLVED FURTHER, that Article I of the Articles of Incorporation be amended to read in its entirety as follows:

> "Article I. The name of this corporation is DLJ Software, Inc.";

RESOLVED FURTHER, that the officers and directors of the Corporation be, and they hereby are, authorized and directed, for and on behalf of the Corporation, to execute, file and deliver

the Agreement, Articles of Amendment to the Articles of Incorporation of the Corporation and all other documents which they deem necessary, proper or advisable to carry out the terms and provisions of the Agreement and the purpose and intent of these resolutions.

Don Heiskell

John Meyer

Lee Lorenzen

John Grant

Loren Lorenzen

Kevin Holmes

Jay Lorenzen

Gary Lorenzen

F. Richard Meyer

the Agreement, Articles of Amendment to the Articles of Incorporation of the Corporation and all other documents which they deem necessary, proper or advisable to carry out the terms and provisions of the Agreement and the purpose and intent of these resolutions.

Don Heiskell	John Meyer
Lee Lorenzen	John Grant
Loren Lorenzen	Kevin Holmes
Jay Lorenzen	Gary Lorenzen

F. Richard Meyer

the Agreement, Articles of Amendment to the Articles of Incorporation of the Corporation and all other documents which they deem necessary, proper or advisable to carry out the terms and provisions of the Agreement and the purpose and intent of these resolutions.

Dan Reiskell

John Meyer

Lee Lorenzen

John Grant

Loren Lorenzen

Kevin W Holmes
Kevin Holmes

Jay Lorenzen

Gary Lorenzen

F. Richard Meyer

the Agreement, Articles of Amendment to the Articles of Incorporation of the Corporation and all other documents which they deem necessary, proper or advisable to carry out the terms and provisions of the Agreement and the purpose and intent of these resolutions.

Don Heiskell

John Meyer

Lee Lorenzen

John Grant

Loren Lorenzen

Kevin Holmes

Jay Lorenzen

Gary Lorenzen

F. Richard Meyer

the Agreement, Articles of Amendment to the Articles of Incorporation of the Corporation and all other documents which they deem necessary, proper or advisable to carry out the terms and provisions of the Agreement and the purpose and intent of these resolutions.

Don Heiskell

John Meyer

Lee Lorenzen

John Grant

Loren Lorenzen

Kevin Holmes

Jay Lorenzen

Gary Lorenzen

F. Richard Meyer

the Agreement, Articles of Amendment to the Articles of Incorporation of the Corporation and all other documents which they deem necessary, proper or advisable to carry out the terms and provisions of the Agreement and the purpose and intent of these resolutions.

Don Heiskell	John Meyer
Lee Lorenzen	John Grant
Loren Lorenzen	Kevin Holmes
Jay Lorenzen	Gary Lorenzen

F. Richard Meyer III

the Agreement, Articles of Amendment to the Articles of Incorporation of the Corporation and all other documents which they deem necessary, proper or advisable to carry out the terms and provisions of the Agreement and the purpose and intent of these resolutions.

Don Heiskell

John Meyer

Lee Lorenzen

John Grant

Loren Lorenzen

Kevin Holmes

Jay Lorenzen

Gary Lorenzen

F. Richard Meyer

'ayout Analysis of Ventura Software sale.
:omputed February 26, 1990.
.ll figures in $million.

Xerox Allocation		Don Heiskell	John Meyer	Lee Lorenzen	John Grant	Loren Lorenzen	Kevin Holmes	Jay Lorenzen	Gary Lorenzen	Richard Meyer	Total
											$0.000
issets	$8.600										$8.098
Asset Distribution	$8.098	$2.429	$2.429	$2.429	$0.000	$0.202	$0.040	$0.081	$0.040	$0.445	$0.402
Salaries	$0.402	$0.115	$0.115	$0.115	$0.058						$0.100
Expenses	$0.100										$2.900
Prof. Srvs & Training	$2.900	$0.725	$0.725	$0.725	$0.725						$7.000
Non Compete	$7.000	$1.912	$1.912	$1.912	$0.535	$0.182	$0.036	$0.073	$0.036	$0.401	$18.500
Total	$18.500	$5.181	$5.181	$5.181	$1.318	$0.385	$0.077	$0.154	$0.077	$0.846	

EXHIBIT A

CERTIFICATE OF AMENDMENT
OF
ARTICLES OF INCORPORATION

JOHN MEYER AND LEE LORENZEN certify that:

1. They are the President and the Secretary, respectively, of Ventura Software, Inc., a California corporation.

2. Article I of the Articles of Incorporation of the corporation is amended to read as follows:

"The name of this corporation is DLJ Software, Inc."

3. The foregoing amendment to the Articles of Incorporation has been duly approved by the required vote of shareholders in accordance with Section 902 of the Corporations Code. The total number of outstanding shares of the corporation is 151,000. The number of shares voting in favor of the amendment equaled the vote required. The percentage vote required was more than 50%.

We further declare under penalty of perjury under the laws of the state of California that the matters set forth in this Certificate are true and correct of our own knowledge.

DATED: February 28, 1990.

John Meyer, President

Lee Lorenzen, Secretary

CERTIFICATE OF INCUMBENCY

The undersigned, being the duly elected and acting Secretary of Ventura Software, Inc., a California corporation (the "Corporation"), does hereby certify that the following person is the duly elected and acting officer of the Corporation holding the office set forth opposite his name and that set forth below is the true and correct signature of such officer and that such officer has been authorized by the Board of Directors of the Corporation to execute, file and deliver, for and on behalf of the Corporation, the Software Acquisition Agreement by and between the Corporation, Xerox Desktop Software, Inc. and John Meyer, Don Heiskell and Lee Lorenzen, and all other documents, including but not limited to a Bill of Sale and an Assignment and Assumption Agreement, which may be necessary, proper or advisable to carry out the terms and provisions of said Agreement.

John Meyer President John Meyer

IN WITNESS WHEREOF, I have hereunto set my hand this 28th day of February, 1990.

Lee Lorenzen
Secretary

The undersigned, President of the Corporation, hereby certifies that Lee Lorenzen is the duly elected and acting Secretary of the Corporation and that the signature appearing immediately above this paragraph is his true and correct signature.

Dated: 2/28/90

John Meyer
President

CERTIFICATE

I, E. M. Filter, Secretary of Xerox Corporation, a New York corporation (the "Company"), DO HEREBY CERTIFY that the following is a true and correct copy of a resolution duly adopted at a meeting of the Board of Directors of the Company duly held and convened on July 14, 1980, at which meeting a duly constituted quorum of the Board of Directors was present and acting throughout and that such resolution has not been modified, rescinded or revoked and is at present in full force and effect:

> RESOLVED: that the Chairman of the Board, the President, any Vice President, the Treasurer, the Secretary, the Controller, any Assistant Treasurer and any Assistant Secretary be, and each of them severally hereby is, empowered to execute and deliver in the name and on behalf of the Company and under its corporate seal all agreements, contracts, bids, instruments of conveyance or encumbrance, leases, bonds, consents, certificates (including any non-collusion certificates required by any governmental entity, department, agency or official), releases, powers of attorney and other documents which may be necessary or desirable in and relating to the ordinary conduct of the business of the Company.

The undersigned further certifies that Austin E. Vanchieri is a duly appointed Vice President of the Company and is authorized to act under the above resolution.

IN WITNESS WHEREOF, the undersigned has executed this Certificate and affixed the corporate seal of the Company hereto this 27th day of February, 1990.

E. M. Filter
Secretary

[SEAL]

CERTIFICATE

I, Linda G. O'Brien, an Assistant Secretary of Xerox Desktop Software, Inc., a Delaware corporation (the "Company"), DO HEREBY CERTIFY that the following is a true and correct copy of a resolution duly adopted by written consent of all of the members of the Board of Directors of the Company as of February 26, 1990 and that such resolution has not been modified, rescinded or revoked and is at present in full force and effect:

> "RESOLVED: That the President, any Vice President, the Secretary and any Assistant Secretary of the Company (hereinafter referred to as the "proper officers"), or any one of them, be and they hereby are authorized to execute and deliver for and on behalf of the Company a software acquisition agreement (the "Agreement") with Ventura Software, Inc., substantially on the terms and conditions set forth in the Agreement, a draft of which, dated February 9, 1990, is attached hereto, with such additions and changes in such terms and conditions as any proper officer shall determine to be necessary or desirable, the execution and delivery of the Agreement to be conclusive evidence of such determination.
>
> RESOLVED: That the proper officers, or any one of them, be and they hereby are authorized to execute and deliver for and on behalf of the Company any agreement, document or certificate and to do and perform such acts and things as any such officer may determine to be necessary or desirable to carry out and complete the intent of and to consummate the transactions contemplated by the foregoing resolution, the execution and delivery of any such agreement, document or certificate or the taking of any such action to be conclusive evidence of such determination."

IN WITNESS WHEREOF, the undersigned has executed this Certificate and affixed the corporate seal of the Company hereto this 20th day of March, 1990.

Linda G. O'Brien
Assistant Secretary