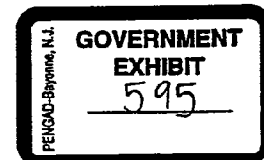


Telecom w/ Beckdale

- Jim, this is FA, CFO of Apple
- I calling to ~~apologize~~ to you for ~~the~~ yesterday's Microsoft announcement - 1st I would like to apologise for not informing you in advance. We were under strict not disclosure & did not complete deal until 2AM Wednesday & ~~common press~~ release (which deal hinged on until 30 min before keynote address).



MAC2548

- Apple needed to ensure that Microsoft would continue to provide MS Office for MAC or we were dead. They were threatening to abandon MAC. Trading card was making Internet Explorer Default browser.
- We also had patent dispute, that was resolved with ~~settling~~ and cross license & signing patent to Apple.
- 150M Inv in Name  
Value Share Was Also Paid

of deal.

We want to continue  
bus. rel. w/ Netscape  
I believe a sign of  
to of our cust.  
will continue to  
select Netscape  
browser in spite  
of default to  
Microsoft. ~~Our~~  
We are committed  
to giving freedom  
of choice to our  
customers

MAC2550