From:

Gayle McClain

Sent:

Monday, June 15, 1998 4:44 PM

To: Cc: Bengt Åkerlind Pascal Martin

Cc: Subject:

Jim letter 6-15

• Here's a soft copy. It's probably still too harsh, but will be easier for you to edit by taking things cut rather than adding them.

Send me a draft of the JK mail we worked on in the plane. JK should still send this to close the MDA closure issue and to follow-up with Collas regarding the lack of process or a team on his side.

Thanks

BOT)



Microsoft Corporation One Microsoft Way Redmond WA 98052-6399

June 15, 1998

Jim Collas Senior Vice President Gateway 2000, Inc. 610 Gateway Drive, P.O. Box 2000 N. Sioux City, SD 57049-2000

Dear Jim:

This letter is to recap today's conversation whereby we shared that Microsoft is concerned with the disregard Gateway has shown for the Windows operating system license. Recent activities by Gateway which violate this agreement are:

- 1. Offering the Windows 98 coupon to custome is prior to entering into an agreement with Microsoft which would allow Gateway to do so
- Listing Windows 98 as available via Web based configurations prior to the contractually stated date of 6/25
- 3. Integrating an ISP service in Windows 98 in such a way that infringes on Microsoft copyrights

The first two items are beyond repair and Microsoft has been placed in a position of not providing an equal playing field for our numerous other customers. We now need to focus on the ISP integration. You have offered to send Microsoft a machine for review in a few days with what Gateway thinks conforms.

As discussed, please work with the account team going forward.

Sincerely,

Bengt Akerlind General Manager

cc: Gayle McClain
Pascal Martin
Joachim Kempin
Microsoft Corporation Law and Corporate Affairs