Telecom w/ Barksdale

- Jim, this is FA, CFO of Apple
- I calling to ~~apologise~~ to ~~you~~ for discuss 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 & ~~[illegible]~~ common press release (which deal hinged on until 30 min. before Keynote address.

PENGAD-Bayonne, N.J.
GOVERNMENT EXHIBIT
595

- 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 ~~signif~~ ~~cant~~ cross license & signif pymt to Apple.
- 150M Inv in Non Voting Shares Was Also Part

of deal.

- We want to continue bus rel. w/ Netscape & believe a signif % of our cust will continue to select Netscape browser inspite of default to Microsoft. ~~Our~~ We are committed to giving freedom & choice to our customers

MAC2550