GOVERNMENT EXHIBIT
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PENGAD-Bayonne, N.J.

To: pthorp@netscape.com (Peter Thorp)
From: ram@netscape.com (Ram Shiram)
Subject: Re: PSI
Cc: fredg, hecker
Bcc:
X-Attachments:

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Peter,

I am with you. Let's get it done. Call me in the morning.....I want to understand when we get $2 bounty.

>Ram, We met with PSI today. Microsoft is offering to give them the world
>for free. They really want to to do this deal and go with Netscape, but
>free tough to argue with. We explained the sicuation to Jim B and he
>supported the .30 price and the idea of speculative distribution. Jim met
>with the CEO Bob Shrader for an hour and it went well.
>
>PSI is not interested in doing deals with ie "OEM's", and we could list
>these companies as exempt in the contract. They are intersted in extending
>there business and speculation to companies like SONY OR MOTOWN'S CD RECORD
>CLUB's also associations like the AMA, AARP etc... As we agreed this is
>not a problem.
>
>PSI is willing to pay a bounty of 2.00 per subscriber above and beyond the
>.30 for a deal like the following:
>
> A PSI customer wants to do a specultative distribution to a target
> audience of 1000 people. Say this is successful, the customer tells
> PSI they want to write them an order for a definite delivery of 100,000
> units. PSI will pays us an additional $2.00 per browser on this.
>There
> is no gurantee that these 100,000 will sign on to PSI but we get 2.00

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> per. No one can get an Netscape Navigator unless they signup for the
> service.
>
>PSI is interested in end users and we need to own to the desk top, get the
>upgrades, put people on Navigator Gold. This is good for us and PSI. You
>can list out the clients that are off limits and we win to. We get al the
>upgrades etc.... Let's do this deal. SInce we are putting certain
>customers off limits no need for a governor.
>
>If one of the customers who is off limits wants to do a deal with PSI we
>can agree to mutually discuss. PSI has been very honest and forth coming.
>Let's get this done.
>
>Let me know.
>
>Peter

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