

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

UNITED STATES OF AMERICA,

Petitioner,

v.

MICROSOFT CORPORATION,

Respondent.

Supplemental to
Civil Action No. 94-1564 (TPJ)

FILED

JAN 22 1998

NANCY MAYER-WHITTINGTON, CLERK
U.S. DISTRICT COURT

STIPULATION AND ORDER

The parties, by their undersigned counsel, hereby stipulate and agree, subject to the approval of the Court, as follows:

1. Respondent Microsoft Corporation ("Microsoft") shall immediately provide to each computer manufacturer ("OEM") licensed to preinstall Windows 95 the following options, in addition to those already provided to such OEMs by Microsoft:

a. The option of licensing and preinstalling OEM Service Release 2.0 ("OSR 2.0") of Windows 95 as modified to reflect the set of changes that would be made by running the Add/Remove Programs utility with respect to Internet Explorer 3.x, based on instructions to be provided promptly by Microsoft to the United States for its review and comment and then to OEMs; and

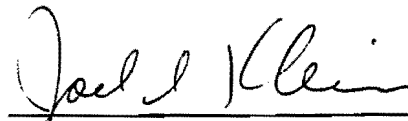
b. The option of licensing and preinstalling OSR 2.0 of Windows 95 as modified by removing the Internet Explorer icon from the desktop and from the Programs list in the Start menu and by marking the file called IEXPLORE.EXE "hidden," based on instructions to be provided promptly by Microsoft to the United States for its review and comment and then to OEMs.

2. Any OEM licensed to preinstall Windows 95 that elects to exercise any of the options provided for herein as to any of its computer models while the preliminary injunction entered by the Court on December 11, 1997 ("the Order") remains in effect may continue to avail itself of such option or options as to any such models for the duration of any existing or new license for Windows 95 or for a period of 90 days following termination of the Order, whichever is shorter.

3. As Microsoft has previously advised OEMs, those OEMs licensed to preinstall Windows 95 are not required to preinstall OEM Service Release 2.5 ("OSR 2.5"). Microsoft will continue to make separately available to each OEM opting to preinstall OSR 2.0 the following software supplements contained in OSR 2.5 that are not contained in OSR 2.0: (i) Direct X 5.0; and (ii) various so-called Quick Fix Engineering ("QFE") "fixes" for specific hardware and software bugs. Microsoft states that OSR 2.0 plus the additional software referred to in the preceding sentence is the same as OSR 2.5 with the sole exception of Internet Explorer 4.0 functionality. Microsoft will promptly make available to each OEM opting to preinstall OSR 2.0 any additional such software supplements that are released in the future and are compatible with OSR 2.0.

4. The foregoing shall be deemed to constitute full compliance with the Order insofar as it concerns existing releases of Windows 95. Microsoft represents that it has no present intention of making any further OEM Service Releases of Windows 95. The Motion by the United States for Judgment of Civil Contempt and To Enforce Preliminary Injunction dated December 17, 1997 shall be, and hereby is, withdrawn. This Stipulation and Order is otherwise without prejudice to the position of either party on any issue of law or fact.

Dated: Washington, D.C.
January 21, 1998



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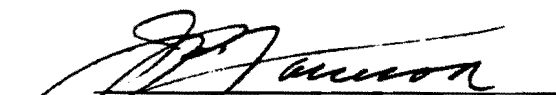
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*Counsel for Respondent
Microsoft Corporation*

SO ORDERED:



Thomas Penfield Jackson
United States District Judge
1/22/98