PARADYNE"

11 August, 1998

Mr. T. Irmer
Director, Telecommunication Standardization Bureau
International Telecommunication Union
Place des Nations
1211 Geneva 20
Switzerland
Fax: +41 22 730 5853

RE: Intellectual Property Statement Regarding Work of Q.4/15

In the event that the proposed Recommendations (G.dmt, G.lite, G.ploam, G.test, and G.hs) are decided by the ITU-T, Paradyne is not prepared to waive its patent rights but would be willing to negotiate licences with other parties on a non-discriminatory basis on reasonable terms and conditions (in accordance with paragraph 2.2 of Appendix I to section 8 of Resolution 1) with respect to any patent claims held or controlled by Paradyne that are essential for compliance on a technological basis with the aforementioned Recommendations, provided that such parties agree not to assert their own patent(s) against Paradyne.

Sincerely,

R.K. Smith

Chairman, External Standards

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e-mail: rksmith@paradyne.com

CC: Mr. Richard Stuart, Rapporteur Q.4/15

Anist

Mr. Andrew Nunn, Chairman, Study Group 15; WP1

Mr. Peter Wery, Chairman, Study Group 15

Mr. James L. Slattery, Sr. VP; Paradyne Chief Legal and Intellectual Property Officer