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September 11, 1998

Dr. Th. Irmer, Director Telecommunication Standardization Bureau Place des Nations, CH-1211 Geneva 20, Switzerland

Dear Dr Irmer:

Our company, AltoCom Inc. of California, USA, would like to make the following statement with regard to its intellectual property as it relates to the work in ITU-T SG15 Question 4.

In the event that the proposed Recommendations (G.dmt, G.lite, G.ploam, G.test, and G.hs) are decided by the ITU-T, AltoCom is not prepared to waive its patent rights but would be willing to negotiate licenses 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 AltoCom 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 AltoCom.

Sincerely Yours,

Haixiang Liang, Ph.D. VP/Chief Scientist AltoCom Inc.