The Magnavox Company

580 WHITE PLAINS ROAD TARRYTOWN, NEW YORK 10591



(914) 332-0222

FÉDERAL EXPRESS

March 22, 1985

Mr. Thomas A. Larsen
Law Offices of
Howard, Rice Nemerovski
Canada, Robertson & Falk
Three Embarcadero Center
Seventh Floor
San Francisco, California 94111

Dear Tom:

Enclosed are the following documents:

- Settlement Agreement with Exhibits A and B; and
- Nonexclusive Sublicense Agreement with Exhibit A.

Assuming that I hear from you today that Activision's board has approved the settlement of the lawsuit, counterparts of the enclosed documents executed on behalf of Magnavox and Sanders will be sent by Federal Express to McCutchen, Doyle, Brown and Enersen on Monday March 25,1985. We should then be able to arrange for the exchange of the executed counterparts in the manner set forth in Ted's letter to Tom Roach (a copy of which was telefaxed to you) on Tuesday or Wednesday at the latest.

Very truly yours,

Alow Tamoshunas

AT/prb Enclosures

cc: Mr. L. Etlinger (w/enc)

Mr. T. Anderson (w/enc)