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1212 Purdue Drive Davis, California 95616 USA

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Dear WEP (IEEE 802.11) Interested Parties:

I am the inventor of the cryptographic scheme known as **OCB**. This is a block-cipher mode of operation combining privacy and authenticty and having many desirable security and efficiency characteristics. The scheme is currently in the draft standard of IEEE 802.11. It is also under consideration by NIST and shall soon be submitted to ISO. As has been disclosed many times before, I have a pending patent that covers OCB (US Application No. 09/918,615).

In a letter of 3 May 2001, I have already provided my assurance to the IEEE that I will license the above IP under reasonable and non-discriminatory terms. The purpose of the current **offer letter** is to go beyond those statements and flesh-out under what terms I am licensing OCB.

Namely, I am willing to license companies to produce 802.11 wireless LAN products (including components of end-user products) under the patent(s) that result from the above patent application for a one time fee of **\$100K**. The license will be a fully "paid up license." Thus there will not be any ongoing royalties for any 802.11 wireless LAN products.

If companies desire a broader license, to manufacture any product (whether for an 802.11 product or not) except for a software toolkit, then I am willing to license such companies for \$200K. This license will also be a fully "paid up license." Software toolkits will be handled on a case-by-case basis.

Beyond the above licenses, a **free** license is available for **non-commercial** uses of OCB. Requests by freeware developers to obtain a royalty-free license should be directed to me.

Though the terms outlined in this offer letter could change, they will always remain simple, fair, and public. I am committed to making this process easy and transparent for everyone. It is my hope that this lovely piece of technology will become widely adapted, and I shall do all that I can to facillitate this happening.

Please do no hesitate to contact me.

Sincerely yours, Phillip Rogaway