Substitute Form PTO-1595
Attorney Docket No.: 17646-076003
Client's Ref. No.: 20000085

RECORDATION FORM COVER SHEET
PATENTS ONLY

Commissioner for Patents: Please record the attached original document(s) or copy(ies).

1. Name of conveying party(ies):
Karl D. Forster
Additional name(s) attached? ☐ Yes ☒ No

2. Name and address of receiving party(ies):
Sterling Software, Inc.
One Computer Associates Plaza
Islandia, New York 11749
Additional names/addresses attached? ☐ Yes ☒ No

3. Nature of conveyance:
☐ Assignment
☐ Merger
☐ Security Agreement
☐ Change of Name
☒ Other: Granted Petition Under 37 C.F.R. § 1.47(b)
Execution Date: 02/24/2004

4. Application number(s) or patent number(s):
If this document is being filed with a new application, the execution date of the application is:
A. Patent Application No(s).: 10/188,512
B: Patent No(s).:
Additional numbers attached? ☐ Yes ☒ No

5. Name/address of party to whom correspondence concerning document should be mailed:
THOMAS H. REGER II
Fish & Richardson P.C.
5000 Bank One Center
1717 Main Street
Dallas, Texas 75201

6. Total number of applications/patents involved: 1

7. Total fee (37 CFR §3.41): $40
☐ Enclosed
☒ Authorized to charge Deposit Account.

8. Deposit Account No.: 06-1050
Please apply any additional charges, or any credits, to our Deposit Account No. 06-1050.

DO NOT USE THIS SPACE

9. Statement and Signature: *To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.*

Thomas H. Reger II
Reg. No. 47,892
Name of Person Signing

Signature

February 11, 2005
Date

Total number of pages including coversheet, attachments and document: 43

90111206.doc

CH $40.00 061050 10188512

CERTIFICATE OF TRANSMISSION BY FACSIMILE

I hereby certify that this correspondence is being transmitted by facsimile to the Patent and Trademark Office on the date indicated below.

February 11, 2005
Date of Transmission

Signature

Delores A. Bacon
Typed Name of Person Signing Certificate

File No. 063170-2462

UNITED STATES PATENT AND TRADEMARK OFFICE

COMMISSIONER FOR PATENTS
UNITED STATES PATENT AND TRADEMARK OFFICE
P.O. BOX 1450
ALEXANDRIA, VA 22313-1450
www.uspto.gov

Paper No. 8

BAKER BOTTS LLP
2001 ROSS AVENUE
SUITE 600
DALLAS, TX 75201-2980

COPY MAILED

FEB 2 4 2004

OFFICE OF PETITIONS

In re Application of
Forster
Application No. 10/188,512
Filed: July 3, 2002
Attorney Docket No. 063170.2462 (20000085)

: DECISION ACCORDING
: STATUS UNDER
: 37 CFR 1.47(b)

This decision concerns the December 23, 2003 renewed petitions under 37 CFR 1.47(b) and 37 CFR 1.137(b).

The petition under 37 CFR 1.47(b) is **GRANTED.**
The petition under 37 CFR 1.137(b) is **GRANTED.**

Renewed petition under 37 CFR 1.47(b)

Based on the renewed §1.47(b) petition and accompanying exhibits, the Office concludes that the sole inventor named in the application, Karl D. Forster, has refused to sign the application declaration, and that Sterling Software, Inc. is the proper party for filing this application on behalf of, and as agent for, Karl D. Forster. Accordingly, the declaration signed by an officer of Sterling Software, Inc. and submitted with the June 20, 2003 petition is hereby accepted. The §1.47(b) petition is thus granted.

The application is now complete.

As provided in 37 CFR 1.47(c), the Office will forward notice of the filing of this application to Karl D. Forster at his last known address indicated in the June 20, 2003 petition:

6835 East Meadowlark Lane
Paradise Valley, AZ 85253

Notice of the filing of this application will also be published in the *Official Gazette*.

Renewed petition under 37 CFR 1.137(b)

Given that the June 20, 2003 declaration has been accepted upon grant of the renewed §1.47(b) petition, the renewed §1.137(b) petition is also granted.

Docket ✓ Wrapper ✓
RVF Docketed
Reference(s)

Correction of inventor name

The Office acknowledges receipt with the June 20, 2003 petition of the "Submission of Substitute Application Cover Sheet" which indicates that the inventor's middle initial should be "D" as shown in the June 20, 2003 declaration, rather than "J."

The application file is being returned to the Office of Initial Patent Examination for revising the USPTO record to reflect the correct inventor name. Thereafter, the file will be forwarded to Technology Center 2600 for examination in due course.

Telephone inquiries should be directed to the undersigned at (703) 308-0763.

RC Tang
Petitions Attorney
Office of Petitions

ATTORNEY'S DOCKET:
063170.2462

PATENT
10/188,5612

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of:	Karl D. Forster
Serial No.:	10/188,512
Filing Date:	July 3, 2002
Confirmation No.	2359
Title:	METHOD AND SYSTEM FOR UPDATING AN ARCHIVE OF A COMPUTER FILE

Commissioner for Patents, USPTO
Attn: Office of Petitions
Crystal Plaza Four, Suite CP4-3C23
2201 South Clark Place
Arlington, VA 22202

Dear Sir:

RENEWED PETITION TO MAKE APPLICATION
FOR PATENT UNDER 37 C.F.R.§ 1.47(b)

Pursuant to 37 C.F.R. § 1.47(b), Sterling Software, Inc. respectfully requests the Commissioner to accept this renewed petition to make application for patent on behalf of and as agent for an inventor who refuses to sign.

Remarks

The inventor, Karl D. Forster, is a former employee of CoreData, Inc. which was merged with and into Sterling Software, Inc. (*See* Ex. A), hereinafter collectively referred to as Sterling Software, Inc. As evidenced by an Affidavit of a person having firsthand knowledge (attached as Exhibit B), the subject matter of the present application was developed by Mr. Forster within the scope of his employment with Sterling Software, Inc. and during his tenure with Sterling Software, Inc. (*See* also Ex. C and D). Accordingly, Sterling Software, Inc. has a proprietary interest in the subject matter of the invention. Mr. Forster has refused to join the application. Attached herewith is an affidavit made out by Thomas H. Reger II, a registered patent attorney, Reg. No. 47,892, detailing the efforts to obtain execution of the application from Mr. Forster (*See* Ex. E).

Accordingly, Sterling Software, Inc. respectfully petitions to make application for patent on behalf of Mr. Forster, the sole inventor ("Inventor") who refuses to sign. Sterling Software, Inc. has a proprietary interest in the subject matter of the patent application with the Inventor, has used diligent efforts to obtain the Inventor's cooperation to no avail, and would preserve the rights of Sterling Software, Inc. by prosecuting the patent application. Further, the granting of this Petition would prevent irreparable harm to Sterling Software, Inc. For at least these reasons, Sterling Software, Inc. respectfully submits that this petition and the exhibits attached thereto meet all the requirements of 37 C.F.R. § 1.47(b) for making application for patent on behalf of the Inventor and hereby petitions the USPTO for such capacity.

Please direct all correspondence to Thomas H. Reger II, Baker Botts, L.L.P., 2001 Ross Avenue, Suite 600, Dallas, Texas 75201-2980, (214) 953-6453.

Pursuant to the Response from the Office of Petitions, no fee is believed due. The Commissioner is hereby authorized to charge any amount required or credit any overpayment to Deposit Account No. 02-0384 of Baker Botts L.L.P.

I declare that all statements made herein of my own knowledge are true and that all statements made on information and belief are believed to be true; and further that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code, and that such willful false statements may jeopardize the validity of the application or any patent issuing thereon.

Respectfully submitted,

ATTORNEY'S DOCKET:
063170.2462

PATENT
10/188,5612

Authorized Attorney for
STERLING SOFTWARE, INC.

Gerard M. Wissing

Date: December 22, 2003

Correspondence Address
2001 Ross Ave., Suite 600
Dallas, TX 75201-2980
Tel. 214.953.6453

Enclosures: Exhibit A – Certificate of Ownership and an Agreement and Plan of Merger
Exhibit B – Affidavit of Robert Wilson
Exhibit C – CoreData, Inc. Employment Letter
Exhibit D – Sterling Software, Inc. Employment Letter
Exhibit E – Declaration of Thomas H. Reger II In Support of Petition
Exhibit F – Declaration of Gerard M. Wissing, authorized attorney for Sterling Software, Inc. and on behalf of Karl D. Forster

EXHIBIT A

State of California

SECRETARY OF STATE

I, *BILL JONES*, Secretary of State of the State of California, hereby certify:

That the attached transcript of 2 page(s) was prepared by and in this office from the record on file, of which it purports to be a copy, and that it is full, true and correct.

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this day of

JAN 20 2000

Bill Jones

Secretary of State

Slep/Static Form CE-108 (rev. 6/98)

A0528798

07:2071 SURV

FILED
In the office of the Secretary of State
of the State of California
JUL 26 1999
BILL JONES, Secretary of State

CERTIFICATE OF OWNERSHIP

Mark H. Kleinman and Susan D. Tiholiz certify that:

1. They are the Vice President and the Treasurer, respectively, of STERLING SOFTWARE (U.S.A.), INC., a California corporation.

2. This corporation owns 100% of the outstanding shares of capital stock of COREDATA, INC., an Arizona corporation.

3. The board of directors of this corporation duly adopted and approved, by unanimous written consent, the Agreement and Plan of Merger attached as Annex A hereto.

We further declare under penalty of perjury under the laws of the State of California that the matters set forth in this certificate are true and correct of our own knowledge.

DATE: July 26, 1999

Mark H. Kleinman
Vice President

Susan D. Tiholiz
Treasurer

Annex A

AGREEMENT AND PLAN OF MERGER

AGREEMENT AND PLAN OF MERGER, dated as of July 26, 1999, by and between Sterling Software (U.S.A.), Inc., a California corporation ("U.S.A."), and CoreData, Inc., an Arizona corporation and wholly owned subsidiary of U.S.A. ("CoreData").

1. CoreData shall, at the Effective Time of the Merger (as hereinafter defined), be merged (the "Merger") with and into U.S.A., with U.S.A. being the surviving corporation.

2. At the Effective Time of the Merger, the outstanding shares of common stock of CoreData shall be canceled and retired, and shall not be converted into shares of capital stock of U.S.A. or the right to receive cash or other property.

3. The outstanding shares of capital stock of U.S.A. shall remain outstanding and are not affected by the Merger.

4. In accordance with Section 1110 of the California Corporations Code, at the Effective Time of the Merger U.S.A. shall assume all liabilities of CoreData.

5. As soon as practicable after the approval of this Agreement and Plan of Merger by the Board of Directors of U.S.A., the appropriate officers of U.S.A. shall prepare and file a Certificate of Ownership (the "Certificate of Ownership") with the Secretary of State of the State of California and an Articles of Merger (the "Articles of Merger") with the Arizona Corporation Commission.

6. The Merger shall become effective (the "Effective Time of the Merger") in accordance with the California Corporations Code upon the filing of the Certificate of Ownership with the Secretary of State of the State of California.

ATTORNEY'S DOCKET:
063170.2462

PATENT
10/188,512

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of:	Karl D. Forster
Serial No.:	10/188,512
Filing Date:	July 3, 2002
Confirmation No.	2359
Title:	METHOD AND SYSTEM FOR UPDATING AN ARCHIVE OF A COMPUTER FILE

Commissioner for Patents
PO Box 1450
Alexandria, VA 22313-1450

Dear Sir:

AFFIDAVIT IN SUPPORT OF PETITION TO MAKE APPLICATION FOR PATENT UNDER 37 C.F.R. § 1.47(b)

1. My name is Robert Wilson. I am currently an employee of Computer Associates, Inc. ("Computer Associates"). Prior to my employment at Computer Associates, I was employed by Sterling Software, Inc. ("Sterling Software"), which was acquired by Computer Associates in March, 2000. My position at Sterling Software was Director of Strategic Alliances and primarily involved working with vendor partner companies on jointly interfacing our respective products. Prior to my employment at Sterling Software, I was employed by CoreData, Inc. ("CoreData"), which was merged with and into Sterling Software in July, 1999. My position at CoreData was Vice President of Business Development and primarily involved OEM of our product and marketing.

2. During my tenure at CoreData/Sterling Software, I worked with Karl D. Forster. Based on employment records, Mr. Forster was employed by CoreData/Sterling Software from about January, 1997 through about November, 1999. Mr. Forster was Vice President of Software Development at CoreData and a Director, Labs for the Storage Management Division of Sterling Software.

3. I have reviewed U.S. Application Num. 10/188,512 ("the Application"), which is the subject of the petition for which I am providing this supporting Affidavit.

4. The subject matter of the Application is in the field of backup technology and was developed by Mr. Forster within the scope of employment with CoreData/Sterling Software and during his tenure with CoreData/Sterling Software. The subject matter of the Application was developed for incorporation into one or more products of CoreData/Sterling Software.

5. I declare that all statements made herein of my own knowledge are true and that all statements made on information and belief are believed to be true; and further that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code, and that such willful false statements may jeopardize the validity of the application or any patent issuing thereon.

Respectfully submitted,

ROBERT WILSON

Date: December 22, 2003

EXHIBIT C
(formerly Exhibit B)

January 6, 1997

Karl D. Forster
7 356 E. Turquoise Ave.
Scottsdale, AZ 85258

Dear Karl:

CoreData, Inc. is pleased to make an offer of "At Will" employment. As discussed, you will assume the position of Vice President of Software Development in our Phoenix office reporting directly to Mr. David A. Riley, President/CEO. This letter will serve to confirm our understanding of terms we have discussed.

1. Your responsibilities will be those outlined below and described to you during our discussions.

Oversee the engineering, design and development of CoreData's products
Responsible for engineering staffing
Schedule of development plan
Technical liaison to prospects and customers
Develop Quality Assurance standards and practices
Assist in the development of corporate infrastructure and systems implementation

2. You will be compensated with a semi-monthly salary in the amount of $ 3,215 per pay period. Your compensation will include a bonus provision for the payment of $23,000 scheduled to be paid half ($11,500) on June 30, 1997 and half ($11,500) on December 31, 1997, subject to meeting the development time schedule for CoreData's Mobile Computing and MagVault II software. Should the schedule not be met, the dates for bonus payment will be moved back by the term of the delays.

In addition, you will be eligible to participate in the Company's Incentive Stock Option Plan and Health Plan. Under the Incentive Stock Option Plan we are offering you the option for 250,000 shares of CoreData Common Stock with an exercise price of $.15 a share and a four year vesting period. A copy of the plan will be provided upon your first day of employment. The Company is currently negotiating with health care providers for its insurance plan. It is anticipated that it will be effective on the 1st of February.

3. As indicated on the application form you completed, your employment and compensation with CoreData, Inc. are "at will" in that they can be terminated with or without cause, and with or without notice, at any time, at the option of either CoreData, Inc. or yourself, except as otherwise provided by law. The terms of this offer letter, therefore, do not and are not intended to create either an express and/or implied contract of employment with CoreData, Inc.. No manager or representative of CoreData, Inc., other than the President of CoreData, Inc., has authority to enter into any agreement for employment for any specified period of time or to make any agreement or contract to the foregoing, and any promises to the contrary may only be relied upon by you if they are in writing and signed by the President of CoreData, Inc..

4114 E. Wood St., Suite 2, Phoenix, AZ 85040 • Tel: 602.437.6575 Fax: 602.437.5066

4. Our offer to hire you is contingent upon your submission of satisfactory proof of your identity and your legal authorization to work in the United States. If you fail to submit this proof, federal law prohibits us from hiring you.

5. Although your initial assignment is in our Phoenix location you may be transferred to any of our locations as business needs shall dictate.

Karl, if you agree with and accept the terms of this offer of employment, please sign below and return this letter to our office. We are confident your employment with CoreData, Inc. will prove mutually beneficial, and we look forward to having you join us.

Very truly yours,

David A. Riley
President/CEO
CoreData, Inc.

Accepted this 13 Day of January, 1997

Karl D. Forster

EXHIBIT D
(formerly Exhibit C)

STERLING SOFTWARE

Storage Management Division

July 28, 1999

Mr. Karl Forster
6835 E. Meadowlark Lane
Paradise Valley AZ 85253

Dear Karl:

I am delighted to offer you the position of Director, Labs for the Storage Management Division of Sterling Software, Inc. (SMD).

Your employment location will be at SMD Development Labs in Phoenix, Arizona, where you will report to me based in Boulder, Colorado. Your responsibilities will remain essentially the same.

The annualized planned earned income (PEI) for this position is $175,000.00 and is comprised of a base salary of $132,000.00 (paid semi-monthly $11,000.00 per month), plus an annual bonus potential of $43,000.00 (pro-rated for FY99, see attached).

Your current transfer date will be effective July 26, 1999. This offer expires on August 6, 1999.

I trust the above meets with your agreement and invite you to indicate your acceptance of this offer by signature below.

Sincerely,

Helmuth Klemm
Vice President, Labs

IN ACCEPTING THIS PROPOSAL, I RESERVE MY RIGHT TO PURSUE MY OWN INTELLECTUAL PROPERTY, INVENTIONS, IMPROVEMENTS, DISCOVERIES, COMPUTER SOFTWARE, PATENTS, TRADE CONCEPTS, COPYRIGHTABLE MATERIALS THAT I HAVE OR WILL DEVELOP ON MY OWN TIME. THIS INCLUDES WITHOUT LIMITATION ANY INTELLECTUAL PROPERTY THAT IS OUTSIDE MY WORK AT STERLING SOFTWARE, STORAGE MANAGEMENT DIVISION NAMELY BACKUP TECHNOLOGY.

Accepted By:

Name

8-5-1999
Date

KDF 8-5-99

10811 International Drive · Rancho Cordova, CA 95670-7319 · 916/463-8500 · Fax 916/463-8900
www.storage.sterling.com

EXHIBIT E
(formerly Exhibit D)

ATTORNEY'S DOCKET:
063170.2462

PATENT
10/188,512

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of:	Karl D. Forster
Serial No.:	10/188,512
Filing Date:	July 3, 2002
Confirmation No.	2359
Title:	METHOD AND SYSTEM FOR UPDATING AN ARCHIVE OF A COMPUTER FILE

Commissioner for Patents
PO Box 1450
Alexandria, VA 22313-1450

Dear Sir:

AFFIDAVIT IN SUPPORT OF PETITION TO MAKE APPLICATION FOR PATENT UNDER 37 C.F.R.§ 1.47(b)

I believe that Mr. Karl D. Forster is the sole inventor in the above-identified patent application and is no longer employed at Sterling Software, Inc.

Since Mr. Forster left Sterling Software, Inc., he has refused to sign the Declaration. The Declaration was mailed to Mr. Gerard M. Wissing, Associate Counsel for Sterling Software, Inc. on May 31, 2001 in order that he could forward it on to Mr. Forster for execution (*see* Ex. D1). The undersigned sent an additional copy of the Declaration, specification, claims, and figures to Mr. Forster on April 29, 2003 (*see* Ex. D2, D3). A telephone conversation between Mr. Forster and the undersigned was made on May 1, 2003. During this conversation, Mr. Forster gave his absolute and final refusal to signing the Declaration.

Considering that there has been no success in obtaining the execution of the Declaration by Mr. Forster, the Petition to Make Application and this Affidavit in support thereof is necessary to preserve the right of Sterling Software, Inc. in the present application

and prevent irreparable harm to Sterling Software, Inc. occurring from the abandonment of the present application.

The last known address for Mr. Forster is 6835 East Meadowlark Lane, Paradise Valley, Arizona 85253.

I declare that all statements made herein of my own knowledge are true and that all statements made on information and belief are believed to be true; and further that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code, and that such willful false statements may jeopardize the validity of the application or any patent issuing thereon.

Respectfully submitted,
BAKER BOTTS L.L.P.
Attorneys for Applicant

Thomas H. Reger II
Reg. No. 47,892

Date: June 20, 2003
2001 Ross Avenue, Suite 600
Dallas, TX 75201-2980
(214) 953-6453

EXHIBIT E1
(formerly Exhibit D1)

Computer Associates

One Computer Associates Plaza
Islandia, New York 11749

tel: +1 631 342 6000
fax: +1 631 342 6800
ca.com

September 17, 2001

VIA REGISTERED MAIL
RETURN RECEIPT REQUESTED

Mr. Karl D. Forster
6835 E. Meadowlark Lane
Paradise Valley, Arizona 85253

Re: *Method and System for Updating an Archive of a Computer File*
Our File No.: 20000085

Dear Mr. Forster:

As we discussed, Computer Associates has filed the above-identified patent application based on the earlier filed provisional patent application. This application is directed toward the archiving technology you developed while employed by Core Data/Sterling Software. Computer Associates acquired the rights to the patent application through the purchase of Sterling Software.

Although the patent application is now owned by Computer Associates, it is nevertheless preferable that you, as the inventor, execute a declaration of inventorship for the application. Accordingly, I have enclosed a copy of the application (including the specification, claims and drawings) as well as the declaration and an assignment. Please review the application, execute the formal papers and return the executed papers to me in the enclosed return Airborne Express envelope by October 1, 2001. The declaration is due to be filed in the U.S. Patent and Trademark Office on or before October 5, 2001 and your prompt assistance in this matter would be greatly appreciated.

During an earlier conversation, you acknowledged Sterling Software's, and thus Computer Associates', ownership of the invention but indicated that your schedule would not allow you to cooperate with us by reviewing the application and executing the declaration. If you still refuse or are unable to cooperate at this time, please indicate this and your agreement to assign the invention to Sterling Software by signing below and returning the letter, application, and formal papers to me in the enclosed envelope.

Please allow me to remind you that the patent application and the inventions described therein are the proprietary information of Computer Associates and are not to be disclosed to any third parties. Also, please allow me to remind you that as an inventor you have a duty to disclose to the U.S. Patent and Trademark Office any prior art of which you are aware that is material to the examination of the application. This prior art may include relevant patents and printed publications, information on public use or sale of the invention more than a year before the March 1, 2000, priority date of the application. Accordingly, please forward to me any such relevant materials to me so that I can disclose them to the Patent Office, if necessary.

Please do not hesitate to call me if you have any questions.

Very truly yours,

Gerard M. Wissing

Received and Understood

_____ Date: _____

Karl D. Forster

EXHIBIT E2
(formerly Exhibit D2)

BAKER BOTTS L.L.P.

2001 ROSS AVENUE
DALLAS, TEXAS
75201-2980
214.953.6500
FAX 214.953.6503

AUSTIN
BAKU
DALLAS
HOUSTON
LONDON
NEW YORK
RIYADH
WASHINGTON

April 29, 2003

Thomas H. Reger, II
214.953.6453
FAX 214.661.4453
tom.reger@bakerbotts.com

PRIVILEGED AND CONFIDENTIAL
ATTORNEY-CLIENT COMMUNICATION

Via Federal Express
Mr. Karl D. Forster
6835 E. Meadowlark Lane
Paradise Valley, Arizona 85253

Re: *Method and System for Updating an Archive of a Computer File*
Computer Associates Reference No.: 20000085
Our File No.: 063170.2462

Mr. Forster:

Enclosed is a copy of the above-identified patent application with accompanying drawings filed with the United States Patent and Trademark Office (USPTO) on July 3, 2002.

This application is directed toward the archiving technology you invented while employed by Core Data/Sterling Software. Computer Associates acquired the rights to the patent application through the purchase of Sterling Software.

Although the patent application is now owned by Computer Associates, it is nevertheless necessary that you, as the inventor, execute a declaration of inventorship for the application. Please review the application, execute the formal papers and return the executed papers to me in the enclosed return Federal Express envelope by May 10, 2003. I will call you on May 1 to confirm delivery and ascertain whether you will agree to execute the enclosed documents pursuant to your obligations.

Under Federal Regulations, you and every other individual who are substantively involved in the filing and prosecution of a patent application have a duty to disclose to the USPTO all information known to that individual to be material to patentability of the invention as it is defined by each of the claims of the application.

Material information may include:

(1) written materials, such as patents, technical articles, or product brochures, which predate the filing of the present application;

(2) information concerning public disclosure or public use, which predates the filing of the present application;

(3) information disclosed to third parties without confidentiality restrictions on its disclosure, which predate the filing of the present application; and

(4) information concerning a sale or offer for sale of methods or apparatus related to your invention, which predates the filing of the present application.

If you are aware of any such information, which has not already been brought to my attention, please notify me as soon as possible. The duty to disclose all known or subsequently discovered information remains in force until a patent is granted on the application.

If you have any questions concerning this matter, please do not hesitate to call or email me using the information listed above.

Sincerely,

Thomas H. Reger, II

THR:rc
Enclosures

EXHIBIT E3
(formerly Exhibit D3)

FedEx Express
Customer Support Trace
3875 Airways Boulevard
Module H, 4th Floor
Memphis, TN 38116

U.S. Mail: PO Box 727
Memphis, TN 38194-4643

Telephone: 901-369-3600

5/1/2003

Dear Customer:

Here is the proof of delivery for the shipment with tracking number **790274104871**. The shipment was released without signature as authorized by the shipper/recipient.

Delivery Information:

Signed For By: 6819431
Delivery Location: 6835 E MEADOWLARK LN
Delivery Date: April 30, 2003
Delivery Time: 1006

Shipping Information:

Tracking No: 790274104871

Ship Date: April 29, 2003

Recipient:
MR. KARL D. FORSTER

6835 E. MEADOWLARK LANE
SCOTTSDALE, AZ 85253
US

Shipper:
ROSEANNE CISNEROS DE CHAIREZ
BAKER BOTTS L L P
2001 ROSS AVE STE 800
DALLAS, TX 752012980
US

Shipment Reference Information: 063170.2462 04428 REGER

Thank you for choosing FedEx Express. We look forward to working with you in the future.

FedEx Worldwide Customer Service
1-800-Go-FedEx®
Reference No.: R2003050100080035352

EXHIBIT F
(formerly Exhibit E)

ATTORNEY DOCKET NO.:
063170.2462

PATENT APPLICATION
10/188,512

DECLARATION

Upon information and belief, I hereby declare that:

Karl D. Forster's residence, post office address and citizenship are as stated below next to his name, and that I believe that Karl D. Forster is the original, first and sole inventor of the subject matter which is claimed and for which a patent is sought on the invention, design or discovery entitled ***METHOD AND SYSTEM FOR UPDATING AN ARCHIVE OF A COMPUTER FILE,,*** the specification of which was filed on Jul 3, 2002 (USSN 10/188,512);

That I have reviewed and understand the contents of the above-identified specification, including the claims, as amended by any amendment referred to above; that I have no knowledge that said invention, design or discovery was ever known or used in the United States of America before Karl D. Forster's invention or discovery thereof, or patented or described in any printed publication in any country before Karl D. Forster's invention or discovery thereof, or more than one year prior to this application, or in public use or on sale in the United States of America more than one year prior to this application; that I have no knowledge that said invention, design or discovery has not been patented or made the subject of an inventor's certificate issued prior to the date of this application in any country foreign to the United States of America on an application filed by me, Karl D. Forster or our legal representatives or assigns; and that I acknowledge the duty to disclose to the U.S. Patent and Trademark Office all information known to me to be material to patentability as defined in 37 C.F.R. § 1.56.

I hereby claim the benefit under 35 U.S.C. § 119(e) of any United States provisional application(s) listed below:

Application Serial Number	Date Filed
60/186,137	March 1, 2000

I hereby claim the benefit under 35 U.S.C. §120 of any United States application(s) listed below and, insofar as the subject matter of each of the claims of this application is not disclosed in the prior United States application(s) in the manner provided by the first paragraph of 35 U.S.C. § 112, I acknowledge the duty to disclose to the U.S. Patent and Trademark Office all information known to me to be material to patentability as defined in 37 C.F.R. § 1.56 which

ATTORNEY DOCKET NO.:
063170.2462

PATENT APPLICATION
10/188,512

became available between the filing date of the prior application(s) and the national or PCT international filing date of this application:

Application Serial Number	Date Filed	Status
09/797,890	March 1, 2001	Abandoned
09/991,613	November 5, 2001	Abandoned

I hereby appoint the following as my attorneys with full power of substitution to prosecute this application and transact all business in the Patent Office connected therewith:

Gerard M. Wissing Reg. No. 36,309

of Computer Associates International, Inc., and hereby appoint the following Practitioners at the following Customer Number:

all of the firm of Baker Botts L.L.P., my attorneys with full power of substitution and revocation, to prosecute this application and to transact all business in the United States Patent and Trademark Office connected therewith, and to file and prosecute any international patent applications filed thereon before any international authorities.

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Terry J. Stalford, Esq.
at (214) 953-6477
Attorney Docket No. 063170.2462

I am a registered patent attorney (Reg. No. 36,309) and am authorized to sign this Declaration on behalf of Sterling Software, Inc., into which CoreData, Inc., a previous employer of Karl D. Forster, was merged and itself a previous employer of Mr. Forster.

I hereby declare that all statements made herein of my own knowledge are true and that all statements made on information and belief are believed to be true; and further that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the

United States Code, and that such willful false statements may jeopardize the validity of the application or any patent issuing thereon.

Full name of inventor:	Karl D. Forster
Signature of Gerard M. Wissing (authorized attorney for Sterling Software, Inc. and on behalf of Karl D. Forster)	
Date	June 19, 2003
Residence (City, County, State)	Paradise Valley, Maricopa County, Arizona
Citizenship	United States of America
Post Office Address	6835 E. Meadowlark Lane Paradise Valley, Arizona 85253

ATTORNEY'S DOCKET:
063170.2462 (20000085)

PATENT
10/188,512

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of:	Karl D. Forster
Serial No.:	10/188,512
Filing Date:	July 3, 2002
Confirmation No.	2359
Title:	METHOD AND SYSTEM FOR UPDATING AN ARCHIVE OF A COMPUTER FILE

MAIL STOP MISSING PARTS
Commissioner for Patents
PO Box 1450
Alexandria, VA 22313-1450

Dear Sir:

MEMORANDUM IN SUPPORT OF PETITION TO MAKE APPLICATION FOR PATENT UNDER 37 C.F.R. 1.47(b)

Applicant submits this memorandum in support of the Petition to Make Application for Patent under 37 C.F.R. 1.47(b), filed concurrently herewith, pursuant to M.P.E.P. § 409(f). Applicant respectfully submits that it has sufficient proprietary interest in the present invention to prosecute all related applications.

The sole inventor Karl D. Forster was employed by CoreData, Inc. and Sterling Software, Inc. (into which CoreData, Inc. was merged) in Arizona. Mr. Forster was Vice President of Software Development at CoreData, Inc. and a Director, Labs for the Storage Management Division of Sterling Software, Inc. Mr. Forster's responsibilities at CoreData included: overseeing the engineering, design, and development of CoreData's products; responsibility for engineering staffing; scheduling of development plan; technical liaison to prospects and customers; developing Quality Assurance standards and practices; and assisting in the development of corporate infrastructure and systems implementations. (*See* Ex. B) Mr. Forster's responsibilities at Sterling Software, Inc. were essentially the same. (*See* Ex. C) The present invention, in the field of backup technology, was accordingly developed by Mr. Forster within

the scope of employment with CoreData, Inc. and at Sterling Software, Inc. (hereinafter Applicant).

Mr. Forster, in his employment letter with Applicant dated July 28 ,1999, reserved only the right to intellectual property, inventions, improvements, discoveries, computer software, patents, trade concepts, and copyrightable materials which were developed on his time. Mr. Forster acknowledged that the reservation did not include work for Sterling Software, Inc., Storage Management Division, namely backup technology (*see* Ex. C), the field of the present invention. Moreover, Mr. Forster has on at least one telephone call with the undersigned attorney for Applicant, confirmed Applicant's ownership of the subject matter of the present invention.

It is well established that an inventor may agree to transfer a property right in his inventions. *Standard Parts Co. v. Peck*, 264 U.S. 52, 59, 44 S. Ct. 239, 241 (1924). Further, it is settled Arizona law that an agreement – even one that involves property – may be oral, written, or a combination thereof. *See Joy Enterprises. Inc. v. Reppel*, 112 Ariz. 42, 537 P.2d 591 (Ariz. 1975).

For at least these reasons, Applicant respectfully requests that the Petition to Make Application for Patent Pursuant to 37 C.F.R. 1.47(b) be granted.

Respectfully submitted,
BAKER BOTTS L.L.P.
Attorneys for Applicant

Terry Stalford
Reg. No. 39,522

Dated: June 20, 2003

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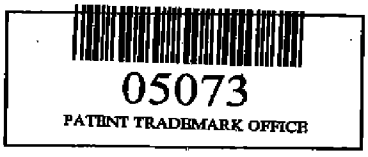

44 S.Ct. 239
68 L.Ed. 560, 32 A.L.R. 1033
(Cite as: 264 U.S. 52, 44 S.Ct. 239)

Supreme Court of the United States.

STANDARD PARTS CO.
v.
PECK.

No. 160.

Argued Jan. 15, 1924.
Decided Feb. 18, 1924.

On Writ of Certiorari to the United States Circuit Court of Appeals for the Sixth Circuit.

Suit for infringement of patent by William J. Peck against the Standard Parts Company. From a decree of the Circuit Court of Appeals for the Sixth Circuit (282 Fed. 443), reversing a decree of the District Court (295 Fed. 740), defendant brings certiorari. Reversed.

West Headnotes

Master and Servant 62
255k62 Most Cited Cases

Patents 182
291k182 Most Cited Cases

Where one was employed to "devote his time to the development of a process and machinery," and was to receive therefor a stated compensation, the improvements invented by him belong to his employer, and the employer does not merely have a license for their use, under Rev.St. § 4899, 35 U.S.C.A. § 48.

****239 *52** Messrs. Bert M. Kent, A. V. Cannon, and John M. Garfield, all of Cleveland, Ohio, for petitioner.

Mr. Geo. L. Wilkinson, of Chicago, Ill., for respondent.

***55** Mr. Justice McKENNA delivered the opinion of the Court.

Suit for injunction, preliminary and perpetual, and accounting for profits and damages, upon the ground of infringement of letters patent No. 1,249,473, issued to William J. Peck, respondent.

The bill is the usual one in patent cases. For answer to it the Standard Parts Company admits the use of the devices of the patent, and alleges they were constructed under the supervision of Peck, and under the terms and provisions of a contract dated August 23, 1915, by and between him and the Hess-Pontiac Spring & Axle Company, for and in behalf of the latter company and the Western Spring & Axle Company, and that it, the Standard Company, has succeeded to the entire assets, business, and good will of those other companies, including all of their rights in said contract and devices. And the Standard Company avers that Peck was fully compensated for his connection with the devices.

As an offset and counterclaim, the Standard Company avers that all of the invention in the letters patent was made while Peck ****240** was in the employ of its predecessors in business, the Axle Companies above mentioned, and that he was so employed for a period of approximately one year and eight months, and paid while so employed a salary of $300 per month, and at the conclusion of the employment paid a bonus of $660.

In answer to the counterclaim Peck admits the contract, but denies that it raised the contractual relations averred, or that it could be construed as passing any title to any inventions which might be incorporated in machinery built thereunder, and that neither the Axle Companies nor any person who might have purchased their assets, business, and good will could have acquired any right, title, or interest in the inventions.

***56** He admits the period of employment averred, and that he received the compensation averred, and that at the conclusion of his employment he received a bonus of $660, being the amount of $10 for each per cent. of reduction of direct labor cost as called for in said contract, the figures compiled by the Hess Company showing a reduction of 66 per cent. in direct labor.

He admits that prior to and during the continuance and subsequent to the period of his employment he practiced as an attorney at law and solicitor of patents, but denies ever so acting for either the Hess Company or Western Company, and denies that he ever prepared or filed or executed any applications for either of the companies, or that any of such applications matured into the patent in suit.

He denies the other allegations of the counterclaim.

44 S.Ct. 239
68 L.Ed. 560, 32 A.L.R. 1033
(Cite as: 264 U.S. 52, 44 S.Ct. 239)

On the case as thus presented, Peck's testimony and some other testimony was taken, and certain exhibits introduced, and the judgment of the District Court was, after a review of the decisions of this and other courts, 'that the property in the invention belonged to the employer' (the Hess-Pontiac Spring & Axle Company), and that this property passed to the Standard Parts Company when it acquired the assets of the Axle Company, and that Peck holds the legal title in trust for the Standard Company. A decree was directed to be entered requiring an assignment of the legal title to the latter company.

A motion for rehearing was made and denied, and on March 2, 1921, a formal decree was entered, adjudging the equities to be in favor of the Standard Company, and that Peck, within 10 days from the date of the decree, assign and transfer to the company the legal title to the letters patent and also transfer to it, the company, all other patents or pending applications for patents for inventions made by him, Peck, in connection with the processes and machinery developed ***57** in the performance of the agreement with the Axle Company.

It was further adjudged that, if Peck failed to perform the decree, 'then and in that event' the 'decree shall have the same force and effect as such assignments and transfers would have had, if made.'

The Circuit Court of Appeals reversed the decree of the District Court, in so far as it decreed an assignment and transfer of the patent in suit and other patents and applications from Peck to the Standard Company.

The court decreed a license to exist in the Standard Company in the machines, distinguishing, however, between the first six and the last four, in that in the first six title was in the Standard Company 'wholly free from the monopoly of the patent.' this being 'within the spirit and fairly within the letter of Rev. St. § 4899' (Comp. St. § 9445), [FN1] and that the Pontiac Company had a right to sell these six machines to the Standard Company free from the patent. As to the last four, it was decided that the license to construct them was not assignable and could not pass to the Standard Company 'by the ordinary purchase and sale of a business.'

The court concluded its opinion as follows:

'Defendant [Standard Company] may be advised that it can abandon any further claim of license as to these four machines and contest the patent on its merits--a matter about which we express no opinion--and otherwise it is clearly open to defendant to make what effort it can to establish a license on the theory of estoppel by reason of Peck's knowledge of ***58** the building of these four machines without objection, if such knowledge and conduct occurred, or on the theory of a practical consolidation of the Pontiac Company with the present defendant, if their relationship has that character. Lane v. Locke, 150 U. S. 193, 14 Sup. Ct. 78, 37 L. Ed. 1049.

'The decree below is reversed, and the record remanded for further proceedings in accordance with this opinion.'

The courts reached different rulings because of different readings of the cases. That of the District Court was that, while the mere fact that one is employed by another does not preclude him from making improvements in the machines with which he is connected, and obtaining patents therefor, as his individual property, yet, if he 'be employed to invent or devise such improvements, his patents therefor belong to his employer, since in making such improvements he is merely doing what he was hired to do.'

The Circuit Court of Appeals rejected this ****241** test. It conceded, however, that the deduction of the District Court was sustained by Solomons v. United States, 137 U. S. 342, 11 Sup. Ct. 88, 34 L. Ed. 667, McAleer v. United States, 150 U. S. 424, 14 Sup. Ct. 160, 37 L. Ed. 1130, and Gill v. United States, 160 U. S. 426, 16 Sup. Ct. 322, 40 L. Ed. 480, and, if correct, required the affirmance of the decree of the District Court. And the court admitted that there was no later declaration than that of those cases, nor any criticism of it. The court, nevertheless, dissented from it, subordinating it to other cases and reasoning, they establishing, it was considered, 'that an invention does not belong to the employer, merely by virtue of an employment contract, as well when that employment is to devise or improve a specific thing as when the employment is to devise improvements generally in the line of the employer's business,' and, considering further that Peck's employment was to devise or improve a specific thing, decided that his contract did not 'of its own force, convey to the employer the equitable title to the patentable inventions' which he 'might make in the course of its execution' but gave 'to the employer a license only.'

***59** It is going very far to say that the declaration of Solomons v. United States, repeated in subsequent cases, and apparently constituting their grounds of

decision, may be put aside or underrated--assigned the inconsequence of dicta. It might be said that there is persuasion in the repetition. It cannot be contended that the invention of a specific thing cannot be made the subject of a bargain and pass in execution of it. And such, we think, was the object and effect of Peck's contract with the Hess-Pontiac Spring & Axle Company. That company had a want in its business--a 'problem' is Peck's word-- and he testified that 'Mr. Hess thought probably' that he (Peck) 'could be of some assistance to him [Hess] in working out' the 'problem,' and the 'thought' was natural. Hess had previous acquaintance with Peck, his inventive and other ability, and approached him, the result being the contract of August 23, 1915, the material parts of which are as follows:

> 'This agreement witnesseth that second party is to devote his time to the development of a process and machinery for the production of the front spring now used on the product of the Ford Motor Company. First party is to pay second party for such services the sum of $300 per month. That should said process and machinery be finished at or before the expiration of four months from August 11, 1915, second party is to receive a bonus of $100 a month. That when finished second party is to receive a bonus of $10 for each per cent. of reduction from present direct labor, as disclosed by the books of the first party.'

By the contract Peck engaged to 'devote his time to the development of a process and machinery,' and was to receive therefor a stated compensation. Whose property was the 'process and machinery' to be when developed? The answer would seem to be inevitable and resistless--of him who engaged the services and paid for them, they being his inducement and compensation, they *60 being not for temporary use, but perpetual use, a provision for a business, a facility in it, and an asset of it, therefore contributing to it whether retained or sold--the vendee (in this case the Standard Company) paying for it and getting the rights the vendor had (in this case the Axle Company).

Other meaning to the contract would confuse the relation of the parties to it--take from the Axle Company the inducement the company had to make it--take from the company the advantage of its exclusive use and subject the company to the rivalry of competitors. And yet such, we think, is the contention of Peck. He seems somewhat absorbing in his assertion of rights. He yields to the Axle Company a shop right only, free from the payment of royalty, but personal and temporary--not one that could be assigned or transferred. Peck therefore virtually asserts, though stimulated to services by the Hess Company and paid for them, doing nothing more than he was engaged to do and paid for doing, that the product of the services was so entirely his property that he might give as great a right to any member of the mechanical world as to the one who engaged him and paid him--a right to be used in competition with the one who engaged him and paid him.

We cannot assent to this, nor even to the limitation the Court of Appeals put upon Peck's contention. We concur with the District Court, and therefore reverse the decree of the Circuit Court of Appeals.

Reversed.

> FN1 'Every person who purchases of the inventor, or discoverer, or with his knowledge and consent constructs any newly invented or discovered machine, or other patentable article, prior to the application by the inventor or discoverer for a patent, or who sells or uses one so constructed, shall have the right to use, and vend to others to be used, the specific thing so made or purchased, without liability therefor.'

44 S.Ct. 239, 264 U.S. 52, 68 L.Ed. 560, 32 A.L.R. 1033

END OF DOCUMENT

537 P.2d 591
(Cite as: 112 Ariz. 42, 537 P.2d 591)

Supreme Court of Arizona, In Division.

JOY ENTERPRISES, INC., an Arizona Corporation, Appellant,
v.
Robert L. REPPEL and Jane Doe Reppel, his wife, Kurion Tom Tracy and Jane Doe Tracy, his wife, Reppel Steel & Supply Co., Inc., an Arizona Corporation, Appellees.

No. 11685.

June 27, 1975.
Rehearing Denied Sept. 16, 1975.

Action was brought seeking specific performance under alleged lease, or in the alternative seeking damages for breach thereof. The Superior Court, Maricopa County, Frederic W. Heineman, J., directed a verdict in favor of defendants, and plaintiff appealed. The Supreme Court, Lockwood, J., held that defendants were estopped from denying existence of landlord-tenant relationship where, inter alia, defendants had accepted rent, plaintiff had made approximately $21,000 worth of improvements upon the premises, and plaintiff had paid defendants approximately $92,000 for stock of corporation and had paid a substantial amount of obligations of the corporation, which occupied the premises to be leased.

Reversed with directions for a new trial.

West Headnotes

[1] Contracts 143(3)
95k143(3) Most Cited Cases

It is not within power or province of Supreme Court to revise, modify, alter, extend or remake an agreement; the Court's duty is confined to construction or interpretation of agreement which parties have made for themselves.

[2] Landlord and Tenant 22(2)
233k22(2) Most Cited Cases

Agreement which specifically stated that the "First party shall cause a lease to be granted to Second Party" clearly indicated an intention at some later date to set out in a more formal way the terms and conditions of proposed agreement.

[3] Landlord and Tenant 22(2)
233k22(2) Most Cited Cases

Instrument failed as a legal conveyance of a leasehold interest where it provided for certain consequences in the event of default "of this agreement or the lease agreement," which language indicated that a separate lease agreement was contemplated.

[4] Estoppel 52.15
156k52.15 Most Cited Cases

"Estoppel" is a concurrence of the following elements: (1) conduct by party to be estopped by which he intentionally or through culpable negligence induces another to believe and have confidence in certain material facts; (2) action by party so induced in reliance, justifiably taken, upon the apparent state of the facts; and, (3) injury to party so induced which is caused by his reliance.

[5] Estoppel 52.15
156k52.15 Most Cited Cases

There can be no estoppel if any of the three essential elements of estoppel are lacking.

[6] Landlord and Tenant 20
233k20 Most Cited Cases

A "lease" is a species of contract for the possession and profits of tenements and lands, either for life, for a certain period of time, or during the pleasure of the parties.

[7] Landlord and Tenant 17
233k17 Most Cited Cases

In action seeking specific performance under alleged lease, or in the alternative seeking damages for breach thereof, defendants were estopped from denying existence of landlord-tenant relationship where, inter alia, defendants had accepted rent, plaintiff had made approximately $21,000 worth of improvements upon the premises, plaintiff had paid defendants approximately $92,000 for stock of corporation and had paid a substantial amount of obligations of the corporation, which occupied premises to be leased, despite contention of defendants that agreement between parties to make an agreement omitted vital provisions which were left for future negotiation, and thus could not serve as basis for imposing upon defendants either a 15-year

lease or an open-ended obligation to construct a building. A.R.S. § 33-437.

[8] Contracts 31
95k31 Most Cited Cases

A contract need not be entirely in writing; it may be partly oral and partly written.

[9] Landlord and Tenant 24(1)
233k24(1) Most Cited Cases

[9] Landlord and Tenant 37
233k37 Most Cited Cases

Fact that contract between parties relating to a lease was ambiguous did not render it void; the contract would have to be so construed as to carry into effect the reasonable intention of the parties at time the agreement was made.

[10] Evidence 448
157k448 Most Cited Cases

Parol evidence may properly be admitted to explain and make certain the ambiguities in an agreement.

*43 **592 Streich, Lang, Weeks, Cardon & French by Dan M. Durrant, Ronald Jay Cohen, Robert E. B. Allen, Phoenix, for appellant.

Powers, Boutell, Fannin & Kurn by James Powers, Phoenix, for appellees.

LOCKWOOD, Justice:

Appellant, hereinafter called lessee, filed this action in the Superior Court seeking specific performance under an alleged lease, or in the alternative damages for breach thereof. The Superior Court directed a verdict in favor of appellees-lessors on what we understand to be the following facts.

The lessors entered into an agreement to sell the lessee the capital stock of Joy Enterprises, Inc. Joy Enterprises, Inc. was a corporation engaged in the manufacture of mobile homes. Prior to the sale, all of the stock in Joy Enterprises was owned by Reppel Steel & Supply, and Joy Enterprises was doing business on property owned by Reppel. Concurrent with the sale of the capital stock of Joy Enterprises appellant as lessee entered into an agreement with appellees-lessors Reppel and Tracy acting for Reppel Steel & Supply Co. By the agreement, the premises upon which Joy Enterprises was located were to be leased to appellant. In addition, appellees agreed to build an additional permanent structure upon the premises. This dispute arises out of that portion of the agreement by which appellees as lessors promised to lease the premises to appellant. The agreement provided in pertinent part as follows:

'3. First party (appellees) Shall cause a lease to be granted to Second party (appellant) on the premises presently leased by Joy Enterprises, Inc. for the operation of said corporation's business, said lease to be for a period of Fifteen (15) years commencing September 13, 1971 for the consideration of rent in the sum of Fifteen Hundred ($1,500.00) Dollars per month paid in advance as a net, net, net monthly rental by Second Party to First Party or nominee. Second Party shall pay advance rental in the sum of Two Thousand Two Hundred Fifty ($2,250.00) Dollars, receipt thereof being acknowledged by First Party on this date and thereafter the monthly rental commencing November 1, 1971 in the sum of Fifteen Hundred ($1,500.00) Dollars shall be paid each month during the period of the leasehold term.

'Provided Second Party be not in default under the terms Of this agreement or the lease agreement, then Second Party shall have an option for an additional Five (5) years lease provided the rental be mutually agreed upon and provided Second Party exercises said option by giving written notice to First Party not later than Six (6) months before the expiration of the term of the original lease.'

'4. First Party shall at their expense enclose an area 80 200 on the east side of the presently existing building *44 **593 structure utilized by Joy Enterprises, Inc. upon request by Second Party at any time pursuant to written notice to First Party within Six (6) months from the date of this agreement, subject however to proper authorization and permits by any City of Phoenix, Maricopa County or State of Arizona department or subdivision having jurisdiction thereof, and subject to Second Party procuring said authorization or permit. In the event said authorization or permit is procured then Said structure shall be completed by First Party within a reasonable time and upon completion Second Party shall pay to First Party or nominee additional rental in the sum of Seven Hundred fifty ($750.00) Dollars per month net, net, net-- with all rental payments to be payable monthly and in advance during the term of Lease agreement referred to in this agreement.' (Emphasis supplied.)

The parties who originally signed the agreement were A. J. Goulder and Leland Larson, for Chardon

Mobile Homes, predecessor in interest to lessee, and Robert L. Reppel and Kurion Tom Tracy, as lessors. A. J. Goulder was the principal stockholder in Chardon Mobile Homes, Inc. and Leland Larson was its president. Robert L. Reppel was the president and principal stockholder of Reppel Steel & Supply Company. Tom Tracy, Reppel's son-in-law, was an officer in Reppel Steel and Supply and owned the remaining stock in that corporation.

The testimony disclosed that the enclosure referred to in paragraph 4 of the agreement was to be an additionl manufacturing building, although its exact nature and cost were in dispute. Subsequent to the execution of the foregoing agreement, an addendum agreement was prepared and executed. By it, A. J. Goulder and his wife, Julia, disclaimed personal liability on the 'lease agreement between the parties in the original agreement, * * *' leaving only Chardon Mobile Homes, Inc. and Leland Larson on the agreement.

The advance rent was paid and accepted, and the appellant (lessee) took immediate possession. Rent was paid each month and accepted by lessors Reppel and Tracy. Demand was timely made upon the lessors to build the additional structure, but no building of any kind was built.

Six months after lessee took possession of Joy Enterprises, it filed a lawsuit under the paragraph of the agreement quoted above which called for the subsequent addition of a manufacturing facility. Appellant sought either that the construction of the building be ordered or that damages be awarded. At the time of oral argument, the premises had been vacated.

[1] We first observe that it is not within the power or province of this court to revise, modify, alter, extend or remake an agreement. Our duty is confined to the construction or interpretation of the one which the parties have made for themselves. Goodman v. Newzona Investment Co., 101 Ariz. 470, 421 P.2d 318 (1966).

[2][3] The agreement specifically stated that the 'first party (appellees) shall cause a lease to be granted to Second Party (appellant).' This language clearly indicates an intention at some later date to set out in a more formal way the terms and conditions of the proposed agreement. The agreement provided for certain consequences in the event of default 'of this agreement Or the lease agreement' again indicating a separate lease agreement was contemplated. (Emphasis supplied.) At the time this agreement was executed, it was handwritten by the appellees' counsel, and the appellant's counsel was not present. There is no doubt that the instrument fails as a legal conveyance of a leasehold interest.

The issue now becomes whether, although the agreement falls short of a valid lease, the appellees as lessors are estopped to deny its enforceability as a contract.

***45 **594** It is appellant's position that estoppel will be applied to prevent injustice and that it would be unconscionable to permit the lessors to maintain a position inconsistent with one in which they have acquiesced. See Holmes v. Graves, 83 Ariz. 174, 318 P.2d 354 (1957).

We note first that under Arizona statute A.R.S. s 33--437, a defective conveyance may be enforced as a contract to convey. A.R.S. s 33--437 provides:

> 'When an instrument in writing, intended as a conveyance of real property or some interest therein, fails wholly or in part to take effect as a conveyance by virtue of the provisions of this chapter, it is valid nevertheless and effectual as a contract upon which a conveyance may be enforced, as far as rules of law permit.'

[4][5] In Builders Supply Corporation v. Marshall, 88 Ariz. 89, 352 P.2d 982 (1960) this Court defined estoppel as a concurrence of the following elements:

(1) Conduct by the party to be estopped by which he intentionally or through culpable negligence induces another to believe and have confidence in certain material facts;

(2) Action by the party so induced in reliance, justifiably taken, upon the apparent state of the facts; and

(3) Injury to the party so induced which is caused by his reliance. See also: Robbins Investment Co. v. Green Rose Associates, Inc., 8 Ariz.App. 596, 448 P.2d 440 (1969). There can be no estoppel if any of the essential elements are lacking. Knight v. Rice, 83 Ariz. 379, 321 P.2d 1037 (1958).

In Capital Outdoor Advertising, Inc. v. Harper, 7 N.C.App. 501, 172 S.E.2d 793 (1970), the court held that a lessee was estopped to assert the invalidity of a lease because of insufficient description of the premises where he had gone into possession of the premises under the lease, had paid the stipulated rent and otherwise exercised control over the premises. The court reasoned that a party will not be permitted

to accept the benefits arising from certain terms of a contract while denying the effect of other terms of the same agreement. We think the same reasoning can be applied to the instant case with regard to the conduct of the lessor. The lessors accepted the rent and the lessee made substantial improvements in approximately the amount of $21,000 on the premises, yet now the lessors deny the existence of an enforceable lease.

Lessors urge that this was an agreement to make an agreement omitting vital provisions which were left for future negotiation, and thus could not serve as a basis for imposing upon Reppel either a 15-year lease or an open-ended obligation to construct a building, citing Cypert v. Holmes, 81 Ariz. 64, 299 P.2d 650 (1956). In that case we stated:

> "It may be conceded that an agreement to enter into a lease will neither be enforced in equity nor at law if it appears from the face of the agreement that any of the terms of the lease, no matter how unimportant they may seem to be, are left open to be settled by future conferences between the lessor and lessee. In such cases there is no complete agreement; the minds of the parties have not fully met; and, until they have, no court will undertake to give effect to those stipulations that have been settled, or to make an agreement for the parties respecting those matters that have been left unsettled." 81 Ariz. at 66, 299 P.2d at 651.

In the instant case, however, lessee merged Charden Industries and Joy Enterprises so that they both operated under the name 'Joy Enterprises Inc.'. The lessee moved its manufacturing business to the location of Joy Enterprises and started in business there.

Lessee had, at the time of suit paid approximately $92,000.00 for the stock of Joy Enterprises and, in addition, had paid a substantial amount of its obligations. Lessors were aware that lessee also installed a *46 **595 $13,000 sprinkler system on the premises to comply with the Phoenix Fire Code. Lessee also built another paint facility on the premises to comply with the City Code. The manufacturing facility operated by Joy Enterprises was on property adjacent to Reppel Steel so that there can be no question but that lessee's acts were known to lessors.

There are unresolved disputes as to the responsibilities of the parties in constructing the building which we do not decide. The sole question we determine at this time is whether there were rights under a lease which the lessors are estopped to deny.

We find that all of the elements of estoppel are present in this case. During the installation of the improvements, the lessors made no attempt to dissuade the lessee from making the improvements, nor did they at any time state to the appellant their belief that the lease was not valid.

[6][7] There is no magic in the word 'lease'. A lease is a species of contract for the possession and profits of tenements and land, either for life, or for a certain period of time, or during the pleasure of the parties. See Katz v. Exclusive Auto Leasing Inc., Del.Super., 282 A.2d 866 (1971). The agreement described the property to be leased, gave a definite agreed term, a definite and agreed price of rental and included the time and manner of payment. These terms in conjunction with the conduct of the parties estop appellees from denying the relationship of landlord and tenant.

[8][9][10] Some of the terms of the contract concerning the rental and the additional structure have been reduced to writing. However, a contract need not be entirely in writing, it may be in part oral and in part written. The fact that the contract was ambiguous does not render it void. The contract must be so construed as to carry into effect the reasonable intentions of the parties at the time the agreement was made. Ruhsam v. Ruhsam, 110 Ariz. 326, 518 P.2d 576 (1974); Ashton v. Ashton, 89 Ariz. 148, 359 P.2d 400 (1961); Employer's Liability Assurance Corporation v. Lunt, 82 Ariz. 320, 313 P.2d 393 (1957). Parol evidence may be properly admitted to explain and make certain the ambiguities. Henderson v. Jacobs, 73 Ariz. 195, 239 P.2d 1082 (1952).

The judgment of the superior court is reversed with directions for a new trial to determine the responsibilities of the parties.

CAMERON, C.J., and HOLOHAN, J., concurring.

537 P.2d 591, 112 Ariz. 42

END OF DOCUMENT

ATTORNEY DOCKET NO.
063170.2462 (20000085)

PATENT APPLICATION
10/188,512

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of:	Karl D. Forster
Serial No.:	10/188,512
Filing Date:	July 3, 2002
Confirmation No.	2359
Title:	METHOD AND SYSTEM FOR UPDATING AN ARCHIVE OF A COMPUTER FILE

MAIL STOP MISSING PARTS
Commissioner for Patents
PO Box 1450
Alexandria, VA 22313-1450

Dear Sir:

SUBMISSION OF SUBSTITUTE APPLICATION COVER SHEET

Applicant respectfully requests that the attached Application Cover Sheet be substituted for the cover sheet submitted on July 3, 3002. This corrected cover sheet is being submitted in order to correct a typographical error in the name of the sole inventor, from "Karl J. Forster" to **--Karl D. Forster--**. Applicant also requests that a corrected Application Filing Receipt be issued. The Commissioner is hereby authorized to charge any extra amount required or credit any overpayment to Deposit Account No. 02-0384 of BAKER BOTTS L.L.P.

ATTORNEY DOCKET NO.
063170.2462 (20000085)

PATENT APPLICATION
10/188,512

Respectfully submitted,
BAKER BOTTS L.L.P.
Attorneys for Applicant

Terry Stalford
Reg. No. 39,522

Dated: June 20, 2003

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