## Electronic Version v1.1

Stylesheet Version v1.1

| PATENT PATENT 500381687 REEL: 019995 FRAME: 0496   |                              |                      |      |  |
|--|------------------------------|----------------------|------|--|
| NAME OF SUBMITTER: Daniel M. Becker  |                              |                      |      |  |
| ATTORNEY DOCKE   | T NUMBER:                    | 379453-390175        |      |  |
| Patent Number:       5884087         Patent Number:       5903765         CORRESPONDENCE DATA       500813-4848         Correspondence will be sent via US Mail when the fax attempt is unsuccessful.       500813-4848         Phone:       650.813.4800         Email:       yolette@dechert.com         Correspondent Name:       Jonathan Baker         Address Line 1:       P.O. Box 390460         Address Line 4:       Mountain View, CALIFORNIA 94039-0460 |                              |                      |      |  |
| Patent Number:<br>Patent Number:   |                              | 5870613<br>5884087 8 |      |  |
| Patent Number:   |                              |                      |      |  |
| PROPERTY NUMBE<br>Property   |                              | Nu                   | mber |  |
| Postal Code: 95110 PROPERTY NUMBERS Total: 4   |                              |                      |      |  |
| State/Country:   | CALIFORNIA                   |                      |      |  |
| City:  | San Jose                     |                      |      |  |
| Street Address:<br>Internal Address:   | 333 West San 0<br>Suite 1500 | Jarios Street        |      |  |
| Name:  | Acer America C               |                      |      |  |
| RECEIVING PARTY  | DATA                         |                      |      |  |
| Smith Corona/Acer, A Delaware general partnership  |                              |                      |      |  |
| CONVEYING PARTY DATA Name Execution Date   |                              |                      |      |  |
| NATURE OF CONVEYANCE: ASSIGNMENT   |                              |                      |      |  |
| SUBMISSION TYPE  |                              |                      |      |  |

| Total Attachments: 14      |
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#### TERMINATION AGREEMENT

This Termination Agreement (this "<u>Agreement</u>") is made effective as of this December 21, 1995 by and among Smith Corona Corporation, a Delaware corporation ("<u>SCC</u>"), and Acer America Corporation, a California corporation ("<u>Acer</u>"), and Smith Corona/Acer, a Delaware general partnership (the "Venture").

#### RECITALS

WHEREAS. SCC and Acer are parties to that certain Joint Venture Agreement dated February 1, 1990 (the Joint Venture Agreement") relating to the formation and organization of the Venture by and between SCC and Acer:

WHEREAS, the Venture has been inactive and dormant since June, 1994;

WHEREAS, each of SCC and Acer wish to terminate the Venture upon the terms and conditions hereinafter set forth:

WHEREAS, Acer Incorporated, incorporated as a company limited by shares in Taiwan, Republic of China and the ultimate parent corporation of Acer ("Acer Incorporated"), has guaranteed all of the obligations of Acer under the Joint Venture Agreement and is willing to be a party to this Agreement to release any claims against SCC and to have SCC release any claims SCC may have against it; and

WHEREAS, capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed thereto in the Joint Venture Agreement.

NOW, THEREFORE, each of SCC, Acer, the Venture and Acer Incorporated hereby agree as follows:

1. Termination of Venture. Effective as of the date hereof (the "Date of Termination"), the Venture is hereby terminated solely in accordance with the provisions of this Agreement, and the Sale and Distribution Agreement by and between SCC and the Venture dated as of February 1, 1990, and the Manufacturing Agreement by and between Acer and the Venture dated as of November 1, 1990, are each hereby terminated solely in accordance with the provisions of this Agreement. From and after the Date of Termination, the purpose of the Venture shall be abandoned, with no further business being conducted by the Venture, and the Venture's power to bind each other shall cease, and no further debts, liabilities or obligations shall be incurred on the Venture's behalf by either Venture except for the purposes of winding up, liquidating and dissolving the Venture as herein provided. On the Date of Termination, each of Acer and SCC, individually and as a Venturer, shall terminate all participation in the Venture except as otherwise provided in this Agreement, SCC and the Venture shall cease to develop, manufacture and market the Products except for the purposes of winding up, liquidating and dissolving the Venture as herein provided. The Guaranty Agreement dated February 1, 1990 provided by Acer Incorporated is hereby released by SCC, and it shall be of no further force or effect.

Nothing contained in this Agreement, including the act of terminating this Agreement, shall create or be construed to create any administrative priority or post-petition claim against SCC or its estate in proceedings under Chapter 11 of the United States Bankruptcy Code (the "Code") pending the United States Bankruptcy Court for the District of Delaware (the "Court") as case number 95-788 (HSB) (the "Bankruptcy Case"), whether arising under Sections 503, 507 or otherwise under the Code.

2. Settlement of Amounts Owed. Venture, SCC and Acer agree that the following amounts are owed by one party to another and shall be paid as follows:

(a) SCC owes Acer One Million Three Hundred Ninety-Six Thousand Dollars (\$1,396,000.00) as a contribution to capital of the Venture pursuant to the Joint Venture Agreement, which contribution SCC has not made to date.

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Venture owes Acer Two Hundred Eighty Thousand Dollars \$(280,000) for the cost incurred by Acer (b) for repair, maintenance and support services provided by Acer on behalf of Venture to Venture customers. Records evidencing such costs have been provided to Venture and SCC by Acer.

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Acer owes SCC One Hundred Twenty-Two Thousand Two Hundred and Eighty Dollars (\$122,280) for royalties due from Acer to SCC (3057 multimedia machines at \$40.00 per machine). Records evidencing such royalties have been provided to SCC by Acer.

Acer owes SCC Six Hundred Twenty-Six Thousand Dollars (\$626.000.00) for accounts receivable (d) related to multimedia units and parts and selected tooling sold by SCC to Acer, and for freight charges, and work orders incurred by SCC on behalf of Acer. Records evidencing such accounts receivable have been provided to the Venture and Acer by SCC.

Upon the approval of this Agreement by the Court. Acer shall have an allowed unsecured claim in the (e) amount of Seven Hundred Eighty-Seven Thousand Seven Hundred Twenty Dollars (\$787,720.00) (the "payment"). which is the net of all amounts owed by each party to another as described in Paragraphs (a)-(d) above. A calculation for this amount is shown in Schedule 1 attached hereto.

Each Venturer hereby acknowledges and agrees that SCC's payment of the amount specified in **(f)** Paragraph (e) above shall be a full and complete settlement, accord and satisfaction of the amounts owed by one party to another specified in Paragraphs (a)-(d), and each Venturer hereby forever waives, and forever releases and discharges the other Venturer from, any and all claims arising out of or related to the amounts specified in Paragraphs (a)-(d). The payment shall be made pursuant to a confirmed plan of reorganization or as a liquidating distribution under Section 726 of the Code or as otherwise permitted by the Code, pro rata with other general unsecured claims or as may be provided in any confirmed plan.

Continuation by Acer. Subject to Paragraph 5(a) below, SCC hereby acknowledges and agrees that 3. Acer or its assignee may continue independently of the Venture, without any participation by or obligation to SCC, to develop, manufacture and market a line of multimedia personal computer products on and after the Date of Termination.

Transfer to Acer from SCC of Selected Tooling. Effective as of June 30, 1992, SCC hereby sells. 4. conveys, assigns, transfers and delivers unto Acer, all right, title and interest in and to the property identified on Schedule 2 hereto (the "Property"). SCC hereby agrees that from time to time at the request of Acer it will promotly execute and deliver such further instruments of conveyance and take such further action as may be required to effect the assignment of the Property. SCC hereby represents and warrants that there are no liens, claims or encumbrances existing with respect to the Property, and that SCC has the full legal right to transfer the Property to Acer.

Assignment and Disposition of Trademarks, Trade Names, Licenses, Patents and Intellectual 5. Property.

Effective as of the date hereof, the Venture hereby assigns, transfers and delivers to SCC, and SCC (a) shall hereafter own all right, title and interest in and to the trademarks Simply Smart," "Save Media" and "Tools for Thought."

Effective as of the date hereof, the Venture hereby assigns, transfers and delivers to Acer, and Acer (b) shall hereafter own all right, title and interest in and to, all trademarks, trade names, service marks, patents and patent applications and other intellectual property rights (other than the trademarks set forth in Paragraph (a) above) owned or used by the Venture in the conduct of its business, including, without limitation, the trademarks "Start Smart," "Save Smart," "Synchromedia" and "Keep Alive" and the United States patent entitled "Power Management for PC", number 5.410.713, issued April 25, 1995.

Effective as of the date hereof, the Trademark License Agreements attached to the Joint Venture (c) Agreement as Exhibits D and E thereto are hereby terminated and of no further force or effect.

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(d) Effective as of the date hereof, the respective licenses granted to the Venture by each of SCC and Acer pursuant to Section 4 of the Joint Venture Agreement to use the Intellectual Property Rights and Confidential Information (as such terms are defined in the Joint Venture Agreement) of SCC and Acer, as the case may be, are hereby terminated and of no further force or effect.

### 6. Winding Up.

(a) As soon as reasonably practicable following the Date of Termination, the Venture shall collect amounts due it. liquidate the remaining assets and properties of the Venture, settle its debts and obligations, and dissolve the Venture (collectively "Winding up").

(b) Acer hereby appoints SCC the liquidating Venturer, and SCC accepts such appointment (the "Liquidating Venturer") for the purpose of Winding Up the affairs of the Venture. The Liquidating Ventures powers shall include all acts necessary to Wind Up the Venture's affairs or complete transactions begun but not finished at the Date of Termination. Such acts may include, without limitation, suing to enforce Venture rights, completing contracts and work in process, paying debts and obligations, collecting receivables, liquidating equipment and inventory, controlling and conveying Venture personality, and such other acts as may be necessary or desirable to dispose of the Venture's assets and to pay the Venture's obligation and liabilities in full.

(c) The Venture shall pay all costs whatsoever related to the termination, dissolution and Winding Up of the Venture including, without limitation, the reasonable and necessary fees, disbursements and expenses of accountants and attorneys. The Venture shall be responsible for filing all federal, state and local information returns and/or reports required to be filed by the Venture for all applicable tax periods.

(d) Any remaining assets of the Venture shall be distributed in the following order of priority: (i) To the payment of debts and liabilities of the Venture and the expenses of liquidation in the order or priority as provided by law, and to the establishment of any reserves that the Venture deems necessary for any contingent or unforeseen liabilities or obligations of the Venture (at the expiration of the period for which a reserve has been established, the balance of such reserves shall be distributed to SCC); and then (ii) to SCC. Acer hereby forever waives any rights that it may have with respect to such remaining assets of the Venture, and forever releases and discharges SCC from any and all claims arising out of or related to such remaining assets.

(e) All assets of the Venture unsold on the Date of Termination shall be promptly disposed of by the Venture. Such disposition may be by private or public auction or by private sale, or by any other method, and any of the Venturers hereto may become a purchaser.

(f) SCC and Acer each shall, at all reasonable times, permit access to their respective properties, books, and records relating to the Venture. SCC shall retain custody of the books and records of the Venture.

(g) In consideration of the mutual release in Paragraph 11 hereof and for the termination of the Joint Venture Agreement, SCC shall provide administrative, financial and legal support for the Venture, without charge to Acer or the Venture, until the Venture completes Winding Up its affairs, settles its debts and obligations, and collects amounts due it.

(h) The Venture shall dissolve when all property owned by, and all amounts owed to, the Venture shall have been collected and disposed of in accordance with the provisions of this Agreement. The establishment of any reserve in accordance with any provision of the Venture Agreement or this Agreement shall not have the effect of extending the term of the Venture.

(i) Each Venturer shall perform its obligations hereunder in good faith and in a manner reasonably expected to achieve the purposes of this Agreement.

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8. Indemnification. The Venturers shall have no liability to the Venture or to each other for any mistakes or errors in judgment, nor for any act or omissions believed in good faith to be within the scope of authority conferred by this Agreement. The Venturers shall be liable only for acts and/or omissions involving intentional wrongdoing or fraud. Actions or omissions taken in reliance upon the advice of legal counsel approved by the Venturers as being within the scope conferred by this Agreement shall be conclusive evidence of good faith; however, the Venturers shall not be required to procure such advice to be entitled to the benefits of this paragraph.

9. Confidentiality: Agreement not to Divulge Trade Secrets. Neither of the Venturers shall divulge to any other person or entity any Confidential Information, trade secret, process, method or means, or any information concerning the business of the Venture, unless a Venturer owns the Confidential Information, trade secret, process, method or means, or information.

10. Jurisdiction. Any controversy or claim arising out of or relating to this Agreement or the breach thereof shall be heard by the Court in SCC's Bankruptcy Case, such Court having exclusive jurisdiction over this Agreement until the Bankruptcy Case is closed, terminated or dismissed.

11. Mutual Release. Each Venturer hereby forever generally and completely releases and discharges the other Venturer and its subsidiaries, parents, affiliates, servants, agents, directors, officers and employees, and all others, of and from any and all claims and demands of every kind and nature, in law, equity or otherwise, known and unknown, suspected and unsuspected, disclosed and undisclosed, for damages, actual and consequential, past, present and future, arising out of or related to the Joint Venture Agreement, except as provided in this Agreement.

### 12. Miscellaneous Provisions.

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(a) Severability. This Agreement shall be deemed severable, and any part hereof which may be held invalid by a court of competent jurisdiction shall be deemed automatically excluded from this Agreement and the remaining parts shall remain in full force and effect.

(b) Entire agreement. This Agreement contains the entire understanding of the Venturers hereto and constitutes the only agreement between the Venturers hereto regarding the subject matter hereof. This Agreement supersedes all prior agreements, either express or implied, between the Venturers hereto regarding the subject matter hereof.

(c) Amendment. None of the terms and conditions of this Agreement shall be amended or modified unless expressly consented to in writing and signed by each of the Venturers hereto.

(d) Assignment. This Agreement may be assigned by operation of law or otherwise by any Venturer hereto, provided that any such assignment shall not relieve SCC or Acer. as the case may be, from its obligations to perform this Agreement in accordance with its terms.

(e) Governing Law. This Agreement shall be governed by and construed under the internal laws of the State of Delaware.

(f) Waiver. Any waiver of any condition, term or provision of this Agreement shall be in writing, shall specifically set forth the condition, term or provision being waived and shall be signed by each of the Venturers hereto. No waiver by any Venturer of any condition, term or provision of this Agreement shall be deemed to be a waiver of any preceding or subsequent breach of the same or any other condition, term or provision hereof.

(g) Notices. All notices or other communications to be given by the Venturers pursuant to this Agreement shall be in writing, and shall be delivered by a nationally recognized courier provided that the sending Venturer obtains a receipt therefor, hand-delivered or sent by facsimile and shall be deemed given one (1) day after deposited with such courier, and on the day of such hand-delivery or facsimile provided the sending Venturer has evidence of the confirmation thereof. All notices and other communications shall be addressed as follows:

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#### If to SCC:

Smith Corona Corporation65 Locust AvenueNew Canaan, CT 06840Attention:Mr. Ronald F. StengelFacsimile:(203) 972-4226

with a copy to:

Winthrop, Stimson, Putnam & Roberts One Financial Centre 695 East Main Street Stamford, CT 06904 Attention: G. William Sisley, Esq. Facsimile: (203) 965-8226

If to Acer:

Acer America Corporation 2641 Orchard Parkway San Jose, CA 95134 Attention: Mr. Ronald Chwang, President Facsimile: (408) 922-0176

with a copy to:

Acer America Corporation2641 Orchard ParkwaySan Jose, CA 95134Attention:Mr. James Lu, Associate General CounselFacsimile:(408) 922-2966

(h) Counterparts. This Termination Agreement may be signed in any number of counterparts, each of which will be deemed an original and all of which together will constitute one document.

(i) Expiration. This termination is subject to approval by the Court. If an order of the Court approving this Termination Agreement is not obtained and entered prior to May 30, 1996, then this Agreement shall lapse and be of no further force or effect.

(j) Releases of and by Acer Incorporated. Each of Acer Incorporated and SCC hereby forever generally and completely releases and discharges the other of and from any and all claims and demands of any kind and nature, in law, equity or otherwise, known and unknown, suspected and unsuspected, disclosed and undisclosed, for damages, acutal and consequential, past, present and future, arising out of or related to the Joint Venture Agreement.

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IN WITNESS WHEREOF, the undersigned have signed and delivered this Agreement as of the date first set forth above.

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### SMITH CORONA/ACER

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| SMITH CORONA CORPORATION,<br>a General Partner | SMITH CORONA CORPORATION   |
|--|--|
| By: Jak forthereter<br>Name Jona & Prove Routh | By: Jon A Prov Tronok,<br>Name: Jon A Prov Tronok,<br>Title: Jr VP CFO |
| ACER AMERICA CORPORATION<br>a General Partner  | ACER AMERICA CORPORATION   |
| By:  | By:<br>Name:MI WI MAL TWNM<br>Title:                                   |

Signature Page to Smith Corona-Acer Joint Venture Termination Agreement

ACER INCORPORATED ACER INCORPORATED
By:\_\_\_\_\_
Name:\_\_\_\_\_\_Name:\_\_\_\_\_\_

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Title:\_\_\_\_\_

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Title:\_\_\_\_\_

forth above.

### SMITH CORONA/ACER

SMITH CORONA CORPORATION, a General Partner

YION XANTY י אר עו ער Name CF 6

 $\mathbf{F}$ Title:

ACER AMERICA CORPORATION a General Pariner

SMITH CORONA CORPORATION

R JOHN Tide:

ACER AMERICA CORPORATION

| Ву:    | By:    |  |
|--------|--------|--|
| Name:  | Name:  |  |
| Title: | Title: |  |

Signature Page to Smith Corona-Acer Joint Venture Termination Agreement

ACER INCORPORATED

ACER INCORPORATED By : Name : CEO Title:

| Ву:    |  |
|--------|--|
| Name : |  |
| Title: |  |

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# Schedule I to Termination Agreement

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## Settlement Calculation

| \$1,396,000       | SCC's capital contribution              |
|-------------------|---|
| 140,000           | SCC's half of Venture's payable to Acer |
| (122,280)         | Royalties Acer owes SCC                 |
| <u>-(626,000)</u> | Multimedia A/Rs Acer owes SCC           |
| \$ 787,720        | Total (Net) Amount Due to Acer from SCC |
| \$ 767,720        | total (Net) Amount Due to Acer from SCC |

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# Schedule 2 to Termination Agreement

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## **Property Definition**

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### Schedule 2 to Termination Agreement

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### **Property Definition**

| Face Plate CD & Bezel Insert L | \$17,224 |
|--------------------------------|----------|
| Bezel                          | 38,130   |
| Washer                         | 353      |
| Isolation Post                 | 3,400    |
| Leas                           | 7,820    |
| Lens Holder                    | 11,863   |
| Volume Button                  | 9,265    |
| Reset Button                   | 9,120    |
| Bezel Instrt                   | 9,409    |
| Hard Drive Bracket             | 13,678   |
| Hard Drive Bracket             | 3,500    |
| Hard Drive Bracker L           | 11,035   |
| MB Bracket #1                  | 22,146   |

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WG TOOL INFORMATION

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| PART<br>NUMBER   | TOOL<br>NUMBER | DESCRIPTION                       | COUNTY<br>OP<br>ORIGIN | MFO'D BY     | MFG'D<br>DATB | SPBC,                                     | ORIGINAL<br>COST | RESIDUAL   | LIFB<br>YBARS | YBARS<br>IN USE |
|------------------|----------------|-----------------------------------|------------------------|--------------|---------------|---|------------------|------------|---------------|-----------------|
| 952130<br>952130 | 71942<br>71942 | Pace Place C.D.<br>Bezel Insert L | VSN                    | Smith Coroon | 05/10/92      | 2-Cavity<br>Family Hold (2 parts)         | \$20,829.08      | \$cz.'Li\$ | 2             | 0               |
| 951491           | 71958          | Berzel                            | NSA<br>A               | Smith Corona | 2010102       | I-Cav. Hold                               | 38,130.00        | 38,130     | 2             | 0               |
| 951844           | T22A3          | Waber                             | NSU                    | Smith Corona | 05/08/92      | Havis Die<br>(inserts only)               | 350.00           | 353        | 2             | 0               |
| 951840           | Actor          | leolation Post                    | VSU                    | Smith Corone |               | No buse mold (inserts<br>only)            | 3,400.00         | 3,400      | 2             | 0               |
| 952123-127       | 7   963        | Lea                               | vsu                    | Smith Coroos | 26/01/20      | 2-Cavity<br>Penulty Hold<br>(all 3 parts) | 9,456.48         | 7,820      | 2             | o               |
| 952128           | 71960          | Lens Holder                       | VSU                    | Smith Corons | 02/10/92      | 2-Cav. Hold                               | 14,345.45        | 11,863     | 2             | 0               |
| 952129           | 71961          | Votume Button                     | VSU                    | Smith Corons | 26/01/20      | 2-Cav. Hold                               | 11,204.16        | 9,265      | 2             | 0               |
| 952131           | 71962          | Roset Button                      | U8A                    | Smith Corona | 02/10/92      | 2-Cev. Hold                               | 11,028.92        | 9,120      | 2             | 0               |
| 952133           | 71959          | Bezel Insert                      | NSA                    | Smith Corona | 02/10/92      | 2-Cav. Hold                               | 10,753.21        | 9,409      | 2             | 0               |
| \$5038 <i>7</i>  | 71954          | Hard Drive Brkt.                  | USA                    | Smith Corora | 02/10/92      | Prog. Die                                 | 17,348.02        | 13,678     | 2             | 0               |
| 950387           | 71955          | Hard Drive Brkt.                  | NSA                    | Smith Corona | 02/10/92      | Porm Die                                  | 4,232.42         | 3,500      | 2             | 0               |
| 950386           | 71953          | Hard Drive Brkt. L                | USA                    | Smith Corona | 02/10/92      | Prog. Die                                 | 13,344.56        | 11,035     | 2             | 0               |
| 950388           | 71972          | MB Britt. //                      | NSA                    | Smith Corona | 03/05/92      | Prog. Die                                 | 25,781.30        | 22,146     | 2             | Ó               |

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### BILL OF SALE AND ASSIGNMENT

WHEREAS, pursuant to the Termination Agreement dated December  $2^{1}$ , 1995 (the "Termination Agreement"), between Smith Corona Corporation, a Delaware corporation ("SCC"), and Acer America Corporation, a California corporation ("Acer"), SCC has agreed, to sell, assign, transfer and convey to Acer, and Acer has agreed to accept assignment of, certain assets of SCC; and

WHEREAS. SCC is executing and delivering this Bill of Sale and Assignment to Acer for the purpose of selling, assigning, transferring and conveying to, and vesting in, Acer. SCC's interest in all of such assets.

#### NOW THEREFORE:

1. SCC, for good and valuable consideration, receipt of which is hereby acknowledged, as of June 30, 1992, hereby sells, conveys, assigns, transfers and delivers unto Acer, all right, title, and interest in and to the property identified on Schedule 2 to the Termination Agreement, a copy of which is attached hereto (the "Property")

2. SCC hereby covenants and agrees that, from time to time, at the request of Acer, it will promptly execute and deliver such further instruments of conveyance and transfer and take such and further action as may be reasonably required to implement and effectuate the assignment of the Property contemplated hereby.

3. SCC represents and warrants that there are no liens, claims or encumbrances existing with respect to the Property and that SCC has the full legal right and necessary power and authority to transfer title to the Property to Acer.

 SCC hereto acknowledges receipt of payment in full for the Property equivalent to S\_\_\_\_\_\_\_, which SCC represents is equal to the net book value of the Property on June 30, 1992.

5. This Bill of Sale and Assignment is executed and delivered in, and shall be construed and enforced in accordance with the laws of the State of Delaware, and shall be binding upon and shall inure to the benefit of the respective successors and assigns of the parties hereto.

|       | MERICA CORPORATION   |  |
|-------|--|--|
|       | and the second s |  |
| By:   | - the second   |  |
| Name: | MICHAGE TUNK   |  |
|       | <b>A</b> -   |  |

Title:\_

SMITH CORONA CORPORATION a Delaware corporation

Bv PICN ROUK Name

CFO Title:

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## TO

### TERMINATION AGREEMENT

This Amendment 1 (this "<u>Amendment</u>") is entered into on this \_\_\_\_\_ day of March, 1996, by and among Smith Corona Corporation, a Delaware corporation ("<u>SCC</u>"), Acer America Corporation, a California corporation ("<u>Acer</u>"), and Smith Corona/Acer, a Delaware general partnership (the "Venture"), and amends and modifies the Termination Agreement (the "<u>Termination Agreement</u>") dated December 29, 1995 by and among SCC, Acer and the Venture.

#### RECITALS

WHEREAS, SCC, Acer and the Venture have entered into the Termination Agreement for the termination of the Venture and the settlement of certain claims outstanding;

WHEREAS, Acer Incorporated, incorporated as a company limited by shares in Taiwan, Republic of China and the ultimate parent corporation of Acer ("<u>Acer Incorporated</u>"), was a party to the Termination Agreement to release any claims against SCC and to have SCC release any claims SCC may have against it;

WHEREAS, the parties hereto wish to amend and modify the Termination Agreement in the manner set forth herein; and

WHEREAS, capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed thereto in the Joint Venture Agreement.

NOW, THEREFORE, each of SCC, Acer, the Venture and Acer Incorporated hereby agree as follows:

A. Section 5(a) and 5(b) of the Termination Agreement shall be amended and restated in their entirety to read as follows:

(a) Effective as of the date hereof, the Venture hereby assigns, transfers and delivers to SCC and SCC shall hereafter own all right, title and interest in and to the trademarks "SIMPLY SMART", "SAVE MEDIA" and "TOOLS FOR THOUGHT". Except as to the "SMITH CORONA/ACER" trademark, the Venture hereby assigns, transfers and delivers to Acer and Acer shall hereafter own all right, title and interest in and to all other trademarks owned and/or used by the Venture in the conduct of its business including, but not limited to, the trademarks "SMART SAVE", "SAVE SMART", "SYNCHROMEDIA" and "KEEP ALIVE".

(b) i. Effective as of the date hereof, the Venture hereby assigns, transfers and delivers to Acer all other intellectual property rights owned and/or used by the Venture in the conduct of its business including, but not limited to, the United States patent entitled "Power Management for PC", No. 5,410,713, issued April 25, 1995, except that the intellectual property rights used by the Venture in the conduct of its business which were owned by SCC prior to the date of the Joint Venture Agreement shall remain the property of SCC.

ii. Effective as of the date hereof, SCC grants Acer and any customer of Acer an immunity from suit with respect to such all other intellectual property rights used by the Venture in the conduct of its business which were owned by SCC prior to the date of the Joint Venture Agreement.

Section 5(c):

В.

(e) Neither Acer nor SCC, or their successor assigns, shall have any right, title or interest to the "SMITH CORONA/ACER" trademark or trade name. Acer shall not use the "SMITH CORONA" mark, or the "SMITH CORONA/ACER" mark, or any variations of the

Section 5 of the Termination Agreement is amended to include the following new

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foregoing marks, as a trademark or trade name. Smith Corona shall not use the "ACER" mark, or the "SMITH CORONA/ACER" mark, or any variations of the foregoing marks, as a trademark or trade name.

C. Section 12(i) of the Termination Agreement shall be amended and restated in its entirety to read as follows:

("i) Expiration. This termination is subject to approval by the Court. If an order of the Court approving this Termination Agreement is not obtained and entered prior to August 31, 1996, then this Agreement shall lapse and be of no further force or effect."

D. All other provisions of the Termination Agreement shall remain unmodified and shall be effective in accordance with the terms thereof.

IN WITNESS WHEREOF, the undersigned have signed and delivered this Amendment as of the date first set forth above.

SMITH CORONA/ACER

SMITH CORONA CORPORATION. a General Partner

By TRUSK: Name: v 12.10

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ACER AMERICA CORPORATION a General Wartner Name: Wa CF0 Title:

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