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February 15, 2006

Mr. John Lohmayer T10 Chairman LSI Logic Corporation 4420 Arrows West Dr. Colorado Springs, CO 80907

Ms. Lynn Barra Associate Director, Standards Operations INCITS/Information Technology Industry Council 1250 Eye Street NW - Suite 200 Washington, DC 20005

## RE: Disclosure of patent rights relevant to T10 standards

Dear Mr. Lohmayer and Ms. Barra:

In accordance with the Patent Policy of ANSI, M-Systems Flash Disk Pioneers Ltd ("M-Systems") hereby discloses as follows:

- 1. M-Systems is the holder and owner of the patents and patent application listed below (collectively, the "M-Systems IPR"). The M-Systems IPR covers technologies which may be relevant to the implementation of any current or future standards that may result from the T10 Locking Study Group or corresponding work at the T10 Commands and Protocols (CAP) Workgroup:
  - US patent 6,324.537 DEVICE, SYSTEM AND METHOD FOR DATA ACCESS CONTROL
  - US patent 6,539,380 DEVICE, SYSTEM AND METHOD FOR DATA ACCESS CONTROL
  - US patent application 10/304,772 (Publication Number 2004/0103288A1)
    APPARATUS AND METHOD FOR SECURING DATA ON A PORTABLE STORAGE DEVICE.
- 2. Without waiving any rights in or to the M-Systems IPR, M-Systems hereby provides its assurance that it is prepared to license the M-Systems IPR under reasonable and demonstrably non-discriminatory terms and conditions, including, without limitation, at a reasonable royalty rate.



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3. M-Systems' license grant may be conditioned upon licensee's grant of reciprocal licenses under licensee's intellectual property rights ("IPR") and the IPR owned by parties with which licensee is affiliated. In assessing what terms are reasonable, M-Systems may refer to the royalty rates set by a potential licensee for its own IPR and the IPR of parties with which licensee is affiliated. M-Systems also reserves the right to grant licenses to the M-Systems IPR as part of a cross-license with any other party.

Yours sincerely,

Menahem Lasser Vice President

Intellectual Property and Future Technologies