

AMENDMENT NO. 2

to the

License Agreement

Effective May 1, 1981

Between

STANFORD UNIVERSITY

and

NIPPON GAKKI SEIZO KABUSHIKI KAISHA

THE BOARD OF TRUSTEES OF THE LELAND STANFORD JUNIOR UNIVERSITY (GRANTOR) and NIPPON GAKKI SEIZO KABUSHIKI KAISHA (GRANTEE) hereby agree to amend the License Agreement made on May 1, 1981, and amended as of April 26, 1984, by and between the parties, as follows:

1. Change Section 3 - License to read as follows:

"Section 3

3.1 -- GRANTOR shall grant to GRANTEE and its subsidiaries under the Patents a worldwide exclusive right and license, with a right to sublicense, to make, use, and sell Musical Instruments for the Term of this Agreement."

2. Change Provision 6.1a and Provision 6.1b of Section 6 - Royalties to read as follows:

"6.1a -- Notwithstanding any limitation which may be contained in Provision 6.1 above and as an express modification thereof, in case a Musical Instrument is substantially of a type (i) which comprises musical sound synthesizing means embodying techniques of Patents and covered by any of valid claims of registered or issued Patents and (ii) which does not comprise or contain musical

performance playing means such as a musical keyboard, manually operated or automatically operated (an example of such a Musical Instrument being, without in any way limiting the generality of the foregoing description, a magnetic tape cartridge or cassette normally sold or which could be sold separately from other components), the earned royalty as provided for in Provision 6.1 shall be: 1) three quarters percent (0.75%) of the Selling Price of such a Musical Instrument disposed of during the period from January 1, 1984, up to the end of calendar year 1985; 2) one percent (1.0%) of the Selling Price of such a Musical Instrument disposed of during the period of calendar year 1986; and 3) one and a half percent (1.5%) of the Selling Price of such a Musical Instrument disposed of beginning January 1, 1987, and thereafter. No part of the earned royalty accrued according to this Provision 6.1a shall constitute any part of the maximum royalty as provided for in Provision 6.1. It is agreed that if such a Musical Instrument is incorporated in a versatile apparatus such as a computer at the time of disposition by GRANTEE, Selling Price of such Musical Instrument shall be such price or part or parts of the whole apparatus which are comparable to the Musical Instrument defined above in this Provision.

6.1b -- Notwithstanding any limitation which may be contained in Provisions 6.1 and 6.1a above, and as an express modification thereof, in case a Musical Instrument is substantially of a type which is a semiconductor integrated circuit such as (but not limited to) IC, LSI, or VLSI embodying techniques of Patents and covered by any of valid claims or registered or issued Patents, the earned royalty as provided for in Provision 6.1 shall be:

1) one and a quarter percent (1.25%) of the Selling Price of such a Musical Instrument disposed of during the period from January 1, 1984, up to the end of calendar year 1984; 2) one and a half percent (1.50%) of the Selling Price of such a Musical Instrument disposed of during the period of calendar year 1985; 3) two percent (2.0%) of the Selling Price of such a Musical Instrument disposed of during the period of calendar year 1986; and 4) three percent (3.0%) of the Selling Price of such a Musical Instrument disposed of beginning January 1, 1987, and thereafter. No part of the earned royalty accrued according to this Provision 6.1b shall constitute any part of the maximum royalty as provided for in Provision 6.1."

3. Add new Section 26 - Use of GRANTOR Patents as follows:

"Section 26 - Use of GRANTOR Patents

26.1 -- Except in cases where desired tones cannot be produced by techniques of Patents, GRANTEE agrees to use tone synthesis techniques of Patents in Musical Instruments when such techniques produce tones which are equal to, or better than, tones of alternative tone synthesis techniques that are now, or will be in the future, available to GRANTEE, and when such alternative tone synthesis system is of similar or higher manufacturing costs."

4. Add new Section 27 - Second Sourcing of Semiconductor Integrated Circuits as follows:

"Section 27 - Second Sourcing of  
Semiconductor Integrated Circuits

27.1 -- If the manufacturing volume of a single model of semiconductor integrated circuit (as covered in Section 6.1b of

this Agreement) exceeds four million (4,000,000) integrated circuits per year, then GRANTEE agrees to seek a U.S. company as a second source manufacturer of such IC model."

5. Add new Section 28 - Annual Review as follows:

"Section 28 - Annual Review

28.1 -- GRANTOR and GRANTEE representatives shall conduct an annual progress review of their license collaboration."

This Amendment No. 2 is made as part of the License Agreement referred to herein above and is subject to acceptance hereof by the Japanese Government as required by it.

IN WITNESS WHEREOF, the parties hereto have executed these presents in duplicate by their duly authorized officers or representatives as of the dates below:

THE BOARD OF TRUSTEES OF THE  
LELAND STANFORD JUNIOR UNIVERSITY

By \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

NIPPON GAKKI SEIZO KABUSHIKI  
KAISHA

By \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_