

symbolics

October 15, 1981

Dr. Larry Masinter
6066 Prince Drive
San Jose, California 95129

Dear Larry:

It is with great pleasure that I confirm our offer of employment with Symbolics, Inc. The terms of the offer are as follows:

- o Title: Member of Technical Staff
- o Starting Salary: \$4,583.33/month
- o Benefits: Standard Symbolics' benefit package
- o Stock Options: We are currently in the process of developing a Stock Option Plan. You would be eligible to participate in this plan, and it would be our intention to initially offer you an option on 10,000 shares of stock, at \$2.64/share. You would be 50% vested in this option at the end of one year's employment, and 100% vested at the end of two years' employment. This option would terminate at the end of five years.
- o Start Date: As soon as possible but not later than 1/2/82.

Please indicate your acceptance by signing and returning the enclosed copy of this letter

I'm looking forward to a long and pleasant association.

Sincerely,

Russell Noftsker by Phil Jones

Russell Noftsker
President

jm

Enclosure

Accepted: _____ Date: _____
Larry Masinter

Start Date: _____

symbolics

December 3, 1981

Dr. Larry Masinter
6066 Prince Drive
San Jose, California 95129

Dear Larry:

Let me begin by apologizing for taking so long to answer your letter of October 30. It seems that by waiting "one more day", the answers to your questions become more precise, and soon "one more day" becomes thirty more days. Since I am going to end this letter by urging you to respond quickly, I feel that I must give you the best information I have today, with my promise to provide you with more specifics as they become available.

In response to the questions you raised:

- o It is our plan to open a San Francisco Bay Area office as soon after 1/4/82 as possible.
- o Min Tonai, our V.P. of Finance, is responsible for site selection, budget development, floor space, etc. He is currently investigating several sites and would appreciate any input you have to make. Min has also prepared a preliminary budget for that office and would be happy to discuss the budget with you if you would care to call him at our Woodland Hills office (213/347-9224).
- o The office would be managed on a day-to-day basis by a Regional Sales Manager who would be located there. We are currently discussing the position with Henry Baker, and with several other candidates from outside the Company. It is not our intention to move Jack Holloway to that location in the immediate future. He is expected to have an office there and to be involved in the VLSI design tools implementation effort that will be staffed in Palo Alto.

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- o Our preliminary staffing forecast for that location shows 20 employees on board by the end of 1982, most will be technical. At least 4 are presently budgeted for the Interlisp development effort. You would have the option of hiring the other 3 and additional staff as you are able to justify the need within the limits of our financial capacity. My current expectation is that Dave Dyer will be one of your 3 other staff and that he will be available in May.
- o It is our intention to install at least two LM-2 and two 3600 machines at that location. The first LM-2 for our Bay area office will be ready in January, the second in April.
- o We will install whatever communication links, within reason, that the employees at that location feel are necessary for effective operation. Jim Kulp is currently working on "dialnet" to link LM-2's.
- o I have no difficulty with the number of travel days you have indicated. I expect you to use your best professional judgement on what is required, and on how best to meet that requirement.
- o The proposed stock option plan has been approved. It is an ongoing plan that covers all Symbolics' employees and anticipates annual stock option awards. You would be eligible for additional stock options in any year that such options are granted.

Under any Qualified Stock Option Plan, Larry, the price of options must be set at "fair market value" on the date the option is granted. As Symbolics continues to grow and succeed, the "value" of our stock increases. It is therefore urgent that you join us as an employee at the earliest possible date, so that your options can be granted at the lowest possible price. The longer you wait, the higher, by law, the price of your options must be.

Since mailing our offer letter to you, Symbolics stock has gone up over four times in price. I may have to give

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you a cash grant to cover that increase when you exercise your option. (This letter will serve as documentation). I will keep open the effective cost to you of 10,000 Symbolics shares at \$2.64 each only until December 31, 1981. The price after that will be required to go up, otherwise it becomes an impediment to financing Symbolics.

I'm looking forward to your decision to join us in the very near future. In the meantime, if you have further questions, please don't hesitate to call me or Jack Holloway in Cambridge, or to call either Min Tonai or Fred Lipsig in Woodland Hills. To speed up the process, we will be happy to answer your questions by phone and confirm those answers in writing if you wish.

Sincerely,



Russell Noftsker

jm

cc: J. Holloway
J. Kulp
F. Lipsig
M. Tonai