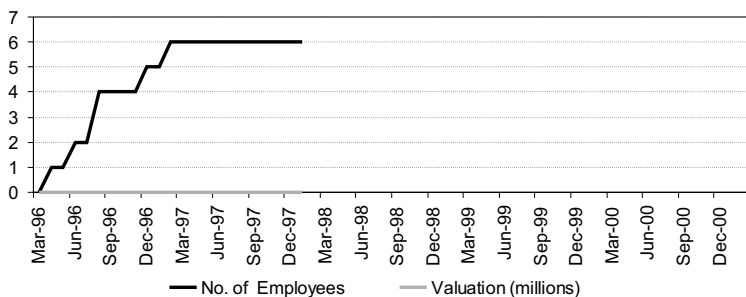


January 1998



Microsoft Buys Hotmail

Microsoft (MSFT) said Wednesday it is buying Hotmail to make free email a feature of the Microsoft Network . . . The stock deal for the two-year-old company has been estimated in the hundreds of millions of dollars, according to industry sources . . .

*CNET News.com
January 3, 1998*

Board Meeting Minutes

New Investors and Board Members: Moved: Dr. Denis Coleman and Wally Buch, M.D., each invest \$100,000 and join the Board of Directors of Neoforma according to the conditions in the stock purchase agreements and letter agreement prepared by Jack. Passed.

Officers: Moved: Denis Coleman be appointed vice-chairman and keep the minutes of meetings. Jack continues to be secretary. Jeff continues in his role as chairman and CEO. Wayne continues in his role as President. Passed.

*Neoforma Board Meeting
January 20, 1998*

The Screenplay



In the rare moments of calm between nearly unrelenting stretches of tumultuous rapids, we would sometimes, just for a moment, relax our control over things. Seldom did this respite prove to be beneficial.

Jeff and I had been putting increasing amounts of money into Neoforma—first, our own money; then borrowed money. By the end of 1997, we were running into dangerous territory. We had increased our spending—slightly, but significantly—based on our assumption that we would receive funding from someone long before the end of the year. And our need to do that was not going away. All indications were that Neoforma would run out of money by the end of December.

Well before December, we had both exhausted our personal resources. If we did have to close the doors to the offices, we were so far in debt that it would probably take us a decade or more to dig our way out. Anni and I had absolutely no buffer left. Anni's job couldn't even cover a week's worth of the bills that were stacking up.

Then in early December—eight months after beginning the process of fundraising—Jack brought another possible investor to the surface: Denis Coleman.

I was a bit intimidated by Denis. He had written one of the first wildly successful utilities for the personal computer. To sell his product he had formed a company that would become one of the largest software companies around. I had not heard of the programs Shawn had built, but I had several of Denis's company's programs on my computer.

It turned out that Denis was a very modest guy. He looked and acted like an engineer, one who simply faces each new challenge without preconception. With his modest manner, I would never have guessed that he had been a successful software executive. He was curious,