3. To pay for the Smithsonian approved direct travel expenses of UTC personnel in cases when the Smithsonian requires them to travel outside Durham, North Carolina area,subject to the usual Smithsonian Institution policies regarding such matters

4. To review and consider additional requests for financing to enhance the success of this contract. It is anticipated that there may be additional opportunities to increase the level of activity of this contract e.g., costs associated with a workshop/educational forum in intellectual property matters or those activities created through the Action Plan.

IV. ACTION PLAN

UTC and Mr. Swann will implement an action plan for the Smithsonian. The elements of this plan include:

1. Consultation with suitable Smithsonian personnel to formulate an intellectual property policy for the Smithsonian to consider and implement, as desired. Said policy, as xxxxxxxx, will be comparable to xxxxxx and quality xxxx xxxx implemented at the University of Maryland.

2. Consultation with suitable Smithsonian personnel to identify research programs and particular research projects that have created or may create commercially viable intellectual property and inventions.

3. Create and implement a mechanism to identify and bring together individuals from UMCP and the Smithsonian Institution with mutual research interests.

4. Undertake the identification, documentation, evaluation of commercial potential and in-depth review or particular inventions. Such cases will be passed to UTC for active review and marketing as appropriate.

5. Create a suitable intellectual property education programs for the Smithsonian Institution.

V. USE OF NAMES:

Each party agrees that it will not refer to this relationship or use the name of the other parties in any manner or context whatsoever unless as part of the implementation of the specifics of this Agreement. The inclusion of the name of the Smithsonian Institution following the names of Kansas State and the University of Iowa in the corporate resume of UTC as submitted and attached hereto (Appendix B) is the sole expense exception to this provision.

6. To provide related services identified and mutually agree to.

7. To provide a written report assessing the value of continuing the relationship between the parties to this Agreement at the end of each year.

8. To identify potential third party sources for research grants to the Smithsonian Institution.

B. Compensation to USET

1. USET will receive $24,000 per year to be paid annually on quarterly installment for the above services from the Smithsonian. The first payment of $6,000 shall be paid simultaneously with the signing of the Agreement. Subsequent equal payments shall be paid by the Smithsonian on August 1, November 1, 1988 and February 1, May 1, August 1, November 1, 1989 and February 1, 1990.

2.a. If USET concludes a technology transfer agreement with any third party company or individual USET will retain 50% of any compensation received by the Smithsonian for as long as such compensation is received, even after termination of the Agreement. Such compensation would normally consist of option fees, license fees and royalty payments. Administration of such funds will be by USET pursuant to Section II.A.4 above, and shall continue without additional cost for the duration of each transfer agreement.

3. Upon receipt of each installment of $6.000, USET shall utilize $3,000 to fund the technology manager agreed to in paragraph II..A.3.

III. Responsibilities of the Smithsonian Institution

1. To Support actively the activities of USET and the Institution and create an environment to promote the purposes of this contract by making personnel available at suitable times.

2. To pay for the Smithsonian approved direct travel expenses of USET in cases with the Smithsonian requires them to travel outside of the Baltimore/Washington metropolitan area. Approval for such expenses will be sought in advance, subject to the usual Smithsonian Institution policies regarding such matters.

UNIVERSITY TECHNOLOGY CORPORATION
South Square Corporate Centre Suite 210
3710 University Drive Durham, North Carolina 27707
(919) 493-0101

March 14, 1988

MEMORANDUM

TO: Mr. Norman Latker

FROM: John A. Fraser

RE: Smithsonian Agreement

The attached is the DRAFT retyped by the Smithsonian Institution. I also enclose our earlier DRAFT to them. Their proposed changes are marked with an X.

I still must discuss this with Wayne Swann and the Smithsonian before the Agreement is ready for signature. Discussions will occur over the next two weeks.

Following your approval I will talk with the Smithsonian about USET and the new relationship. This will become important if Dr. Harmison signs as Chairman of UTC.

JAF:pv

Enclosures

APPENDIX A

DRAFT FOR DISCUSSION

April 19, 1988

Dean Jacob K. Goldhaber
Room 3133
South Administration Building
University of Maryland
College Park, Maryland 20742

RE: UMCP/Smithsonian/UTC Agreement

Dear Dr. Goldhaber:

As you know, we have been working to form a relationship to assist the Smithsonian Institution with the creation of an intellectual property management program based on the success which we have had creating the Office of Technology Liaison at the University of Maryland.

This letter is a confirmation of the understanding between ourselves and UMCP with respect to the above Agreement. This letter would be appended to the enclosed Agreement so that it's clear now everything xxxx together.

Since the Smithsonian is aware of the dynamic office on your campus, we agree that Wayne will assist us on this contract with the Smithsonian.

Specifically, you agree to provide the services of the Office of Technology Liaison and particularly its Director, Mr. Wayne Swann, so that he may spend one day per month at the Smithsonian Institution. In addition to the one day per month, addition time may be allocated as required for Mr. Swann, his assistant and his Graduate Research Assistant. Services provided include intellectual property program development and invention identification.

You also agree to hire and pay for a Graduate Research Assistant in the Office of Technology Liaison at UMCP to perform activities in support of the office and this contract. Partial funding for this hiring will be provided by UTC as outlined below.

As compensation for the above, we will provide to you the sum of $3,000 as outlined in the appended agreement between UTC and the Smithsonian. Further, while undertaking the contract with the Smithsonian and investigating their technologies for transfer we shall attempt to match scientific interests of researchers at the Smithsonian and the University of Maryland to strengthen an association through collaborative research efforts.

Dr. Goldhaber, we all look forward to an extremely interesting and dynamic relationship with you and with the Smithsonian. I trust this letter reflects our understanding of the situation and would ask that you be kind enough to indicate your concurrence by signing below.

Yours Sincerely,

John A. Fraser
Executive Vice President

AGREED TO:

_____
Dr. Jacob Golhaber

Title:_____

Date:_____

NL:ac

cc: Mr. Wayne Swann

DRAFT FOR DISCUSSION

TECHNOLOGY TRANSFER AGREEMENT BETWEEN UNIVERSITY SCIENCE ENGINEERING TECHNOLOGY AND THE SMITHSONIAN INSTITUTE

WHEREAS, the Smithsonian Institution (Smithsonian) is a national museum and research organization and is desirous of having University Science, Engineering and Technology (USET, Inc.) provide technology transfer management services in a like manner to that created by its subsidiary UTC at its client Universities;

WHEREAS, University Technology Corporation (UTC) is a technology transfer organization with a number of research Universities as clients and is desirous of working with the Smithsonian for a two year period.

WHEREAS, USET, Inc. has recently purchased UTC and is desirous of seeing this relationship in place and successful;

NOW THEREFORE, the parties agree as follows:

I. CONTRACT OBJECTIVES:

To implement the Action Plan described in Section IV below and in so doing to create, establish and implement a patent policy and program for the Smithsonian Institution.

II. RESPONSIBILITIES OF USET DURING THE AGREEMENT:

A. USET Activities

1. To serve as prime manager of the Agreement.

2. To implement the Action Plan described in Section IV below.

3. To provide services to a level of one day per month on site at the Smithsonian during the Agreement of agreed to technology manager.

4. Serve as the exclusive agent for technology transfer/licensing at the Smithsonian. In addition, subject to Smithsonian approval of all major terms and conditions, USET would negotiate and close specifically identified technology licensing/transfer agreements, collect royalties and fees from licensees for distribution to the Smithsonian Institution and monitor licensee performance on behalf of the Smithsonian. Technology transfers as used herein means licenses, sales and option.

5. To determine the need for and pay for the filing of a maximum of three U.S. patent applications per year. For further prosecution of the patent applications and cost associated with filing applications after the first three will be an additional cost paid for by the Smithsonian, if and as approved in each instance by the Smithsonian Institution.

6. To provide related services identified and mutually agree to.

7. To provide a written report assessing the value of continuing the relationship between the parties to this Agreement at the end of each year.

8. To identify potential third party sources for research grants to the Smithsonian Institution.

B. Compensation to USET

1. USET will receive $24,000 per year to be paid annually on quarterly installment for the above services from the Smithsonian. The first payment of $6,000 shall be paid simultaneously with the signing of the Agreement. Subsequent equal payments shall be paid by the Smithsonian on August 1, November 1, 1988 and February 1, May 1, August 1, November 1, 1989 and February 1, 1990.

2.a. If USET concludes a technology transfer agreement with any third party company or individual USET will retain 50% of any compensation received by the Smithsonian for as long as such compensation is received, even after termination of the Agreement. Such compensation would normally consist of option fees, license fees and royalty payments. Administration of such funds will be by USET pursuant to Section II.A.4 above, and shall continue without additional cost for the duration of each transfer agreement.

3. Upon receipt of each installment of $6.000, USET shall utilize $3,000 to fund the technology manager agreed to in paragraph II..A.3.

III. Responsibilities of the Smithsonian Institution

1. To Support actively the activities of USET and the Institution and create an environment to promote the purposes of this contract by making personnel available at suitable times.

2. To pay for the Smithsonian approved direct travel expenses of USET in cases with the Smithsonian requires them to travel outside of the Baltimore/Washington metropolitan area. Approval for such expenses will be sought in advance, subject to the usual Smithsonian Institution policies regarding such matters.

3. To review and consider additional requests for financing to enhance the success of this contract. It is anticipated that there may be additional opportunities to increase the level of activity of this contract e.g., costs associated with a workshop/educational forum in intellectual property matters or those activities created through the Action Plan.

IV. ACTION PLAN

USET will implement an action plan for the Smithsonian. The elements of this plan include:

1. Consultation with suitable Smithsonian personnel to formulate an intellectual property policy for the Smithsonian to consider and implement, as desired. Said policy, will be comparable to in kind and quality to that implemented at other USET client Universities.

2. Consultation with suitable Smithsonian personnel to identify research programs and particular research projects that have created or may create commercially viable intellectual property and inventions.

3. Create and implement a mechanism to identify and bring together individuals from UMCP and the Smithsonian Institution with mutual research interests.

4. Undertake the identification, documentation, evaluation of commercial potential and in-depth review of particular inventions. Such cases will be passed to USET for active review and marketing as appropriate.

5. Create a suitable intellectual property education programs for the Smithsonian Institution.

V. USE OF NAMES:

Each party agrees that it will not refer to this relationship or use the name of the other parties in any manner or context whatsoever unless as part of the implementation of the specifics of this Agreement. The inclusion of the name of the Smithsonian Institution following the names of other USET client Universities in promotional material is the sole expense exception to this provision.

VI. DURATION:

The contract will commence on the date at which this letter agreement is signed by the last of the parties. The initial period of the Agreement is one year from commencement. This contract will automatically continue for the second year unless any party hereto notifies the other party of its desire to cancel, such notice to be given within thirty (30) days prior to the expiration of the first years's term.

VII. ENTIRE AGREEMENT

This Agreement, including Appendices A which contains a mutual Confidentiality Agreement, constitutes the entire Agreement among the parties.

VIII. KEY CONTACTS:

The following individuals will be the key contacts for their organization and will have primary responsibility for carrying out the contract.

SMITHSONIAN INSTITUTION
Peter G. Powers
General Counsel
Smithsonian Institution
Washington, DC 20560
(202) 357-2583

UNIVERSITY SCIENCE, ENGINEERING AND TECHNOLOGY
Mr. Norman J. Latker
Vice President for Legal and Technology Affairs
8000 Westpark Drive
McLean, VA 22102
(703) 821-2030

IX. GOVERNING LAW:

This Agreement shall be interpreted and enforced in accordance with the laws of the State of Maryland.

UNIVERSITY SCIENCE, ENGINEERING and TECHNOLOGY	SMITHSONIAN INSTITUTION
By:_____	By:_____
Dr. Lowell T. Harmison	Dean W. Anderson
Title: Chairman of the Board, USET, Inc.	Title: Under Secretary
Date:_____	Date:_____

ACTION

UNIVERSITY TECHNOLOGY CORPORATION
South Square Corporate Centre Suite 210
3710 University Drive Durham, North Carolina 27707
(919) 493-0101

April 14, 1988

MEMORANDUM

TO: Norman Latker

FROM: Carl B. Wootten CBW

RE: Smithsonian Agreement

Enclosed is the "final draft" of the Smithsonian Agreement which looks fine to us. If you will sign off on this we can get this program underway immediately.

Please give me your response as soon as possible.

CBW:pv

Enclosure

DRAFT

TECHNOLOGY TRANSFER AGREEMENT
AMONG
UNIVERSITY TECHNOLOGY CORPORATION
SMITHSONIAN INSTITUTION
UNIVERSITY OF MARYLAND, COLLEGE PARK

WHEREAS, the Smithsonian Institution (Smithsonian) is a national museum and research organization and is desirous of having University Technology Corporation provide technology transfer management services and is interested in having the University of Maryland at College Park, Office of Technology Liaison aid in technology transfer objectives;

WHEREAS, the University of Maryland at College Park (UMCP) is desirous of working with the Smithsonian to form an association in the areas of technology transfer and research collaboration;

WHEREAS, University Technology Corporation (UTC) is a technology transfer organization with UMCP as a client and is desirous of working with the Smithsonian for a two year period.

NOW, THEREFORE, the parties agree as follows:

I. CONTRACT OBJECTIVES:

To implement the Action Plan described in Section VI below and in so doing to create, establish and implement a patent policy and program for the Smithsonian Institution.

II. RESPONSIBILITIES OF UTC DURING THE AGREEMENT:

A. UTC Activities

1. To serve as prime manager of the Agreement.

2. To implement the Action Plan described in Section VI below.

3. To concur with UMCP's providing the services of Mr. Wayne Swann and the UMCP Office of Technology Liaison, or a mutually agreed to UTC person, to a level of one day per month on site at the Smithsonian during the Agreement.

4. To serve as the exclusive agent for technolgy transfer/licensing at the Smithsonian. In addition, subject to Smithsonian approval of all major terms and conditions, UTC will negotiate and close specifically identified technology licensing/transfer agreements, collect royalties and fees from licensees for distribution to the Smithsonian Institution and monitor licensee performance on behalf of the Smithsonian. Technology transfers as used herein means licenses, sales and options.

5. To determine the need for and to pay for the filing of a maximum of three U.S. patent applications per year. Further prosecution of the patent applications and costs associated with filing applications after the first three will be an additional cost paid for by the Smithsonian, if and as approved in each instance by the Smithsonian Institution.

6. To provide related services identified and mutually agreed to.

7. To provide a written report assessing the value of continuing the relationship between the parties to this Agreement at the end of each year.

8. To identify potential third party sources for research grants to the Smithsonian Institution.

B. Compensation to UTC

1. UTC will receive $12,000 per year to be paid annually on quarterly installments for the above services from the Smithsonian. The first payment for $3,000 shall be paid simultaneously with the signing of the Agreement. Subsequent equal payments shall be paid mby the Smithsonian on August 1, November 1, 1988 and February 1, May 1, August 1, November 1, 1989 and February 1, 1990.

2.a. If UTC concludes a technology transfer agreement with any third party company or individual UTC will retain 50% of any compensation received by the Smithsonian for as long as such compensation is received, even after termination of this Agreement. Such compensation would normally consist of option fees, license fees and royalty payments. Administration of such funds will be by UTC pursuant to Section II.A.4. above, and shall continue without additional cost for the duration of each transfer agreement.

2.b. Excluded from Section II.B.2.a. are research contracts identified by and arranged through UTC. On research contracts identified by and arranged through UTC, UTC will receive 15 percent in addition to the overhead rate charged by the Smithsonian. The Smithsonian overhead rate is currently 15%. Thus, the overall overhead rate would be 30%. Overhead on government contracts secured by UTC, if any, shall be governed by law and regulations applicable to such situations and transactions.

III. RESPONSIBILITIES OF THE UNIVERSITY OF MARYLAND, COLLEGE PARK:

1. To provide the services of the Office of Technology Transfer and particularly its Director, Mr. Wayne Swann, so that he may spend one day per month at the Smithsonian Institution. In addition to the one day per month, additional time may be allocated as required for Mr. Swann, his Assistant and his Graduate Research Assistant. Services provided include intellectual property program development and invention identification.

2. To hire and pay for a Graduate Research Assistant in the Office of Technology Liaison at UMCP to perform activities in support of the office and this contract.

3. The University of Maryland Office of Technology Liaison while investigating technologies for transfer shall attempt to match scientific interests of researchers at both institutions to strengthen this association through collaborative research efforts.

4. To implement the Action Plan as described below.

5. To identify materials which when transmitted to UTC or others shall be treated as or subject to the terms of the disclosure statement attached hereto.

6. To honor the terms of the Confidentiality Agreement between UTC and Smithsonian Institution to the extent UMCP becomes privy to Information of the Smithsonian or UTC as described in the Confidentiality Agreement.

IV. COMPENSATION:

For the above, UMCP will receive $12,000 per year from the Smithsonian, under the same time table as specified in Section IX.2.B.1 above.

V. RESPONSIBILITIES OF THE SMITHSONIAN INSTITUTION:

1. To support actively the activities of Mr. Swann at the Institution and create an environment to promote the purposes of this contract by making personnel available at suitable times.

2. To pay for the Smithsonian approved direct travel expenses of Mr. Swann in cases when the Smithsonian requires him to travel outside of the Baltimore/Washington metropolitan area. Approval for such expenses will be sought in advance, subject to the usual Smithsonian Institution policies regarding such matters.

3. To pay for the Smithsonian approved direct travel expenses of UTC personnel in cases when the Smithsonian requires them to travel outside of Durham, North Carolina area, subject to the usual Smithsonian Institution policies regarding such matters.

4. To review and consider additional requests for financing to enhance the success of this contract. It is anticipated that there may be additional opportunities to increase the level of activity of this contract, e.g., costs associated with a workshop/educational forum in intellectual property matters or those activities created through the Action Plan.

VI. ACTION PLAN:

UTC and UMCP in the person of Mr. Swann, will implement an Action Plan for the Smithsonian. The elements of this plan include:

1. Consultation with suitable Smithsonian personnel to formulate an intellectual property policy for the Smithsonian to consider and implement, as desired. Said policy, as tendered, will be comparable in kind and quality to that implemented at the University of Maryland.

DRAFT

2. Consultation with suitable Smithsonian personnel to identify research programs and particular research projects that have created or may create commercially viable intellectual property and inventions.

3. Create and implement a mechanism to identify and bring together individuals from UMCP and the Smithsonian Institution with mutual research interests.

4. Undertake the identification, documentation, evaluation of commercial potential and in-depth review of particular inventions. Such cases will be passed to UTC for active review and marketing as appropriate.

5. Create a suitable intellectual property education program for the Smithsonian Institution.

VII. USE OF NAMES:

Each party agrees that it will not refer to this relationship or use the name of the other parties in any manner or context whatsoever unless as a part of the implementation of the specifics of this Agreement. The inclusion of the name of the Smithsonian Institution following the names of Kansas State and the University of Iowa in the corporate resume of UTC as submitted and attached hereto (Appendix B) is the sole express exception to this provision.

VIII. DURATION:

The contract will commence on the date at which this letter agreement is signed by the last of the three parties. The initial period of the Agreement is one year from commencement. This contract will automatically continue for the second year unless any party hereto notifies each of the other parties of its desire to cancel, such notice to be given within thirty (30) days prior to the expiration of the first year's term.

IX. ENTIRE AGREEMENT:

This Agreement, including Appendix A and Appendix B, which contains a mutual Confidentiality Agreement, constitutes the entire Agreement among the parties.

X. KEY CONTACTS:

The following individuals will be the key contacts for their organization and will have primary responsibility for carrying out the contract.

SMITHSONIAN INSTITUTION
Mr. Peter G. Powers
General Counsel
Smithsonian Institution
Washington, D. C. 20560
(202) 357-2583

DRAFT

UNIVERSITY OF MARYLAND, COLLEGE PARK
Mr. Wayne Swann
Director
Office Technology Liaison
The University of Maryland
2114 South Administration Building
College Park, Maryland 20742
(301) 454-4002

UNIVERSITY TECHNOLOGY CORPORATION
Mr. John A. Fraser
Executive Vice President
University Technology Corporation
South Square Corporate Centre
3710 University Drive
Suite 210
Durham, North Carolina 27707
(919) 493-0101

XI. GOVERNING LAW:

This Agreement shall be interpreted and enforced in accordance with the laws of the State of Maryland.

UNIVERSITY TECHNOLOGY CORPORATION

By:_____

Title:

Date:_____

UNIVERSITY OF MARYLAND, COLLEGE PARK

By:_____

Title:

Date:_____

SMITHSONIAN INSTITUTION

By:_____
Dean W. Anderson

Title: Under Secretary

Date:_____

PANAFAX TRANSMISSION - SMITHSONIAN CASTLE BUILDING

Transm: Had
10:22 a.m.

DATE: 14 April 1988

TO: John Fraser

FROM: Robert Dierker

ACTION REQUIRED:

MESSAGE:

FROM SMITSONIAN INST. 08/27/1902 12:47 P.01