CC: Wootton, Alpert, Saibara

MEMORANDUM April 7, 1988

MEMO NO. NL022IM

TO: Lowell Harmison

FROM: Norman Latker NL

SUBJECT: GKSS (European Strategy)

We are arranging to meet with GKSS during the week of June 13 to 17 in McLean. GKSS is a German research center which conducts pre-industrial research and development with approximately $200 million dollars of funding from the German Federal Ministry for Research and Technology. With INRA as UPI's French client, GKSS could give USET a stream of technology from $600 million of European R&D. Given we conclude UTC/UPI's pursuit of the British Technology Group as a client, this could go to $1 billion.

GKSS' Institutes of Technical Installations, Chemistry, Physics and Materials Technology are devoted to doing research and development on nuclear reactor safety, materials, underwater technology, environmental research and technology and meteorological research. The results of all their research and development are made available through licensing and publication.

I presume GKSS has contacted us because they are having difficulty finding licensees for their technology in the United States. Their March 15th letter proposes that USET/UTC be their exclusive licensing agent in the United States for a commission to be negotiated including a percentage of any down payments or royalties paid by a licensee. GKSS indicates that the percentages in existing UTC agreements would be satisfactory. This is virtually the same deal UPI has already made with INRA.

They specifically indicate that a technology liaison officer is unnecessary since they have resources to prepare and provide us with a dossier of each invention containing a technical description, main applications, advantages compared to existing technologies, state-of-development, patents and patent applications, photographs of prototype of pilot plant, related scientific publications, test results and performance data and a list of available proprietary information such as design drawings and specifications.

I believe this to be a significant opportunity which we should pursue vigorously as part of our European strategy. At very most, the only resources we need to promise to obtain this important stream of technology is our UPI/UTC technology licensing services. We would gain the possibility of return from licenses and a significant stream of technology for the TIC technology information service.

If you have any other thoughts on the meeting we are pursuing for the week of June 13 through 17, please advise.

NL/im

FACSIMILE TRANSMISSION
from

UTC
3710 University Drive, Suite 210
Durham, NC 27707

DATE: January 25, 1988

TO: Mr. Wayne Swann, Director
Office of Technology Liaison

FAX NO: 301 454-1572

FROM: John A. Fraser

FAX NO: USA 919 490-1414

ATTN: Mr. Wayne Swann

Dear Wayne,

As discussed, following is a copy of the transmission I sent to Norman Latker.

Yours sincerely,

John A. Fraser
Executive Vice President

JAF:pv

Please notify Mr. Wayne Swann immediately of transmission

Transmitting header and 5 pages.

3.

~~1. Programming in development~~ patents copyright

~~patentable~~

all intellectual property either existing or later created by Tel

1/8 Exclusive license in all Telescan technology necessary ~~the purpose~~ ~~of~~ operating T.I.C.

2. ~~A license to use all Telescan~~ Ownership of all equipment, inc. necessary to the operation of T.I.C. nothing on list

FACSIMILE TRANSMISSION
from

UTC
3710 University Drive, Suite 210
Durham, NC 27707

DATE: January 25, 1988

TO: Mr. Norman Latker

FAX NO: 301 738-1212

FROM: John A. Fraser

FAX NO: USA 919 490-1414

ATTN: Mr. Norman Latker

Enclosed is the proposed letter agreement amongst UTC, University of Maryland, College Park and the Smithsonian Institution. Please call me Wednesday or sooner with your comments.

Yours sincerely,

John A. Fraser
Executive Vice President

JAF:pv

Please notify Mr. Norman Latker immediately of transmission

Transmitting header and 4 pages.

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

WHEREAS, the Smithsonian Institution (Smithsonian) is a premier 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.

RESPONSIBILITIES OF UTC DURING THE AGREEMENT:

1. Serve as prime manager of the Agreement.

2. Concur with UMCP's providing the services or Mr. Wayne Swann and the UMCP Office of Technology Liaison to a level of one day per month on site at the Smithsonian during the Agreement.

3. Serve as the exclusive agent for technology transfer/licensing at the Smithsonian. In adition, UTC would negotiate and close specifically identified technology licensing/transfer agreements, collect royalties and fees for distribution and monitor license performance on behalf of the Smithsonian.

4. Determine the need for and pay for the filing of a maximum of three U.S. patents per year. Prosecution of the patent applications will be an additional cost to this Agreement paid for by the Smithsonian.

5. Provide related services identified and mutually agreed to.

COMPENSATION

1. UTC will receive $12,000 per year annually in advance for the above services from the Smithsonian.

2. If UTC concludes a technology transfer agreement with a company, UTC will retain 50% of any compensation accuring to the Smithsonian for as long as such compensation is received, even after termination of this Agreement. Such compensation would normally consist of option fees and license fees and royalty payments. Excluded from this are research contracts arranged through UTC. On research contracts arranged through UTC, UTC will add 15 percentage points to your overhead rate of _____? and that 15% difference will be retained by UTC.

MAR 14 1988



SMITHSONIAN INSTITUTION
Washington, D.C. 20560
U.S.A.

8 March 1988

Wayne Swann
Director
Office Technology Liaison
The University of Maryland
2114 South Administration Building
College Park, Maryland 20742

John A. Fraser
Executive Vice President
University Technology Corporation
South Square Corporate Centre
3710 University Drive
Durham, North Carolina 27707

Gentlemen:

At long last, a revised edition of the proposed technology transfer agreement. I hope we didn't do the prior version a disservice. If we knew enough about all this stuff to make substantive changes intentionally, or to move a whole lot faster, we probably wouldn't need your help! Seriously, let me know how this looks, and I promise to move it along (fast) when we hear back. By then everyone here will have had a chance to take a last long look at it as well.

Sincerely yours,

R A Dierker

Robert A. Dierker
Associate General Counsel

Enclosure

cc: Dean Anderson (w/enclosure)

GENERAL
GEN. CORRESP. _____
PROP. UNIV. _____
RESUME'S _____
CORPORATE _____
_____
_____

DRAFT

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

WHEREAS, the Smithsonian Institution (Smithsonian) is a premier 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 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.

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 of the overhead rate charged by the Smithsonian. The Smithsonian overhead rate is currently 15%.

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.

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.

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.

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, 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

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

DRAFT

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:_____
John A. Fraser

Title: Executive Vice President

Date:_____

UNIVERSITY OF MARYLAND, COLLEGE PARK

By:_____
Victor Medina

Title: Director
Office of Sponsored Programs

Date:_____

SMITHSONIAN INSTITUTION

By:_____
Dean W. Anderson

Title: Under Secretary

Date:_____

DRAFT

TWO WAY
CONFIDENTIAL DISCLOSURE AGREEMENT

WHEREAS, the Smithsonian Institution (hereinafter the "Smithsonian") has certain confidential and proprietary information relating to inventions which embodies scientific concepts or processes which may be needed for successful practice or commercialization of technology developed by staff members (hereinafter "Smithsonian Information") and;

WHEREAS, University Technology Corporation (hereinafter the "Company") has certain confidential and proprietary Information relating to invention management and its business (hereinafter "Company Information") and;

WHEREAS, each party desires to disclose proprietary and confidential information to the other party with a view to marketing Smithsonian inventions

NOW, THEREFORE, the parties agree to the following terms and conditions:

1. Each party will clearly identify (label) as confidential or proprietary materials subject to the terms of this disclosure agreement.

2. Each party will disclose necessary Information to the other party in writing, insofar as practical, and in sufficient detail to enable evaluation of the same. Each party shall be permitted to retain possession of any material submitted to it hereunder or copies, drawing or photographs thereof in order that a record of the material submitted may be preserved.

3. Each party agrees, for a period of three (3) years from the date hereof and, in addition, for so long as the Information or portions thereof continues to embody or reflect trade secrets, that it will treat the Information with reasonable care to avoid disclosure of the Information to any third person, firm or corporation, unless required by law. Each party shall have no obligation, with respect to the Information, or any part thereof, which:

a. at the time of disclosure is in the public domain;

b. after disclosure, becomes part of the public domain by publication or otherwise; except by breach of this agreement by the undersigned;

c. the party can establish by competent proof was in its possession at the time of disclosure by the other party;

d. comes to either party from third persons, legally entitled to disclose;

e. is approved for release by written authorization of the other party.

DRAFT

4. The Company may also disclose Smithsonian Information by a written confidential disclosure agreement, containing terms and conditions substantially similar to those set forth herein, to other Companies with a view to their evaluating the desirability of producing or commercializing the Smithsonian Information.

5. No obligation of payment or of any other kind is assumed by nor may be implied against either party, other than that of treating the Information as described above, and disclosure of Smithsonian Information shall not give Company the right to use the Information except as provided in paragraph 4 until or unless a formal written contract is entered into providing the terms and conditions of such use, and the rights to be acquired by the Company.

6. In the case of each disclosure, the Smithsonian will represent that to its (then) present knowledge, it has the full right and authority to disclose the Smithsonian Information to the Company, and further to its (then) present knowledge, there has been no sale, assignment, license or transfer to any person, firm or corporation which would be inconsistent with said representation.

7. Each party understands that the Smithsonian Information may have been developed under a grant or contract from the Federal Government of the United States, and hence the Federal Government may be entitled to certain rights to the Smithsonian Information and may also be entitled to certain limited royalty free licenses. The Smithsonian agrees to provide the Company with the details of such Government rights as part of the Information, if requested in writing.

IN WITNESS WHEREOF the parties have signed or caused this Agreement to be signed as of the _____th day of _____, 1988.

AUTHORIZED APPROVALS

UNIVERSITY TECHNOLOGY CORPORATION	SMITHSONIAN INSTITUTION
By:_____ John A. Fraser	By:_____
Title:_____	Title:_____
Date:_____	Date:_____

B

January 29, 1988

(Decker)

Mr. Robert A. Dierker
Associate General Counsel
Smithsonian Institution
Washington, D.C. 20560

Re: Intellectual Property Agreement

Dear Mr. Dierker:

Please find attached a draft Technology Transfer Agreement between University Technology Corporation (UTC), the Smithsonian Institution and University of Maryland, College Park (UMCP). The major elements of the agreement have been previously discussed by you and Mr. Wayne E. Swann, Director, Office of Technology Liaison, UMCP.

I will be calling you in a few days to review the terms of the draft agreement and a tentative start date for technology transfer program at the Smithsonian Institution.

Please call me or Wayne if you have any questions.

Sincerely,

Jol Fraser

John A. Fraser
Executive Vice President

JAF:jmm
Enclosure

cc: Wayne Swann

Feb 8 - Asst Sec approved verbally. Reviewing & changing language. Doc to GP by Feb 12. Review & back. Signed by Asst Sec & checks - few days. Start date March 1 '88.

Feb 23. Being reviewed by Decker colleague. Slow when family crisis. Being worked on will show up by Feb 29 @ UTC

March 8 - Called Decker - Staff meeting - w.c. back

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

WHEREAS, the Smithsonian Institution (Smithsonian) is a premier 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.

RESPONSIBILITIES OF UTC DURING THE AGREEMENT:

1. Serve as prime manager of the Agreement.

2. 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.

3. Serve as the exclusive agent for technology transfer/licensing at the Smithsonian. In addition, UTC would negotiate and close specifically identified technology licensing/transfer agreements, collect royalties and fees for distribution and monitor licensee performance on behalf of the Smithsonian.

4. Determine the need for and pay for the filing of a maximum of three U.S. patents per year. Prosecution of the patent applications will be an additional cost to this Agreement paid for by the Smithsonian.

5. Provide related services identified and mutually agreed to.

COMPENSATION

1. UTC will receive $12,000 per year annually in advance for the above services from the Smithsonian.

2. If UTC concludes a technology transfer agreement with a company, UTC will retain 50% of any compensation accruing to the Smithsonian for as long as such compensation is received, even after termination of this Agreement. Such compensation would normally consist of option fees and license fees and royalty payments. Excluded from this are research contracts arranged through UTC. On research contracts arranged through UTC, UTC will add 15 percentage points to your overhead rate of the Smithsonian. This rate is currently_____. That 15% difference will be retained by UTC.

RESPONSIBILITIES OF THE UNIVERSITY OF MARYLAND, COLLEGE PARK

1. 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. 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.

COMPENSATION

For the above, UMCP will receive $12,000 per year annually in advance from the Smithsonian.

RESPONSIBILITIES OF THE SMITHSONIAN INSTITUTION

1. Support actively the activities of Mr. Swann at the Institution and create an environment to assure success of this contract by making personnel available at suitable times.

2. Pay for the direct travel expenses of Mr. Swann in cases where it is necessary for him to travel outside of the Baltimore/Washington metropolitan area. Approval for such expenses will be sought in advance.

3. Pay for the direct travel expenses of UTC personnel in cases when the Smithsonian requires them to travel outside the Durham, N.C. area.

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.

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;

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;

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 days prior to the expiration of the first year's term.

ENTIRE AGREEMENT:

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

KEY CONTACTS:

The following individuals will be the key contacts for their organization and will accept responsibility to ensure that the activities outlined above are successfully carried out.

SMITHSONIAN INSTITUTION
Mr. Robert A. Dierker
Associate General Counsel
Smithsonian Institution
Washington, D.C. 20560
(202) 357-2583

UNIVERSITY OF MARYLAND, COLLEGE PARK
Mr. Wayne Swann, Director
Office of 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

GOVERNING LAW:

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

UNIVERSITY TECHNOLOGY CORPORATION

By:_____
John A. Fraser

Title: Executive Vice President

Date:_____

UNIVERSITY OF MARYLAND, COLLEGE PARK

By:_____
Victor Medina

Title: Director, Office of Sponsored Programs

Date:_____

SMITHSONIAN INSTITUTION

By:_____
Robert A. Dierker

Title: Associate General Counsel

Date:_____

TWO WAY
CONFIDENTIAL DISCLOSURE AGREEMENT

WHEREAS, the Smithsonian Institution (hereinafter the "Smithsonian") has certain confidential and proprietary information relating to inventions which embodies scientific concepts or processes which may be needed for successful practice or commercialization of technology developed by staff members (hereinafter "Smithsonian Information") and;

WHEREAS, University Technology Corporation (hereinafter the "Company") has certain confidential and proprietary information relating to invention management and its business (hereinafter "Company Information") and;

WHEREAS, each party desires to disclose proprietary and confidential Information to the other party with a view to marketing Smithsonian inventions and;

NOW, THEREFORE, the parties agree to the following terms and conditions:

1. To disclose the Information to the other party in writing, insofar as practical, and in sufficient detail to enable evaluation of the same. Each party shall be permitted to retain possession of any material submitted to it hereunder or copies, drawing or photographs thereof in order that a record of the material submitted may be preserved.

2. Each party agrees, for a period of three (3) years from the date hereof and, in addition, for so long as the Information or portions thereof continues to embody or reflect trade secrets, that it will treat the Information with reasonable care to avoid disclosure of the Information to any person, firm or corporation, unless required by law. Each party shall have no obligation, with respect to the Information, or any part thereof, which:

(a) at the time of disclosure is in the public domain;

(b) after disclosure, becomes part of the public domain by publication or otherwise; except by breach of this agreement by the undersigned;

(c) the party can establish by competent proof was in its possession at the time of disclosure by the other party;

(d) comes to either party from third persons, legally entitled to disclose;

(e) is approved for release by written authorization of the other party.

3. The Company may also disclose Smithsonian Information by a written confidential disclosure agreement, containing terms and conditions substantially similar to those set forth herein, to other Companies with a view to their evaluating the desirability of producing or commercializing the Smithsonian Information.

4. No obligation of payment or of any other kind is assumed by nor may be implied against either party, other than that of treating the Information as described above, and disclosure of University Information shall not give Company the right to use the Information except as provided in paragraph 3 until or unless a formal written contract is entered into providing the terms and conditions of such use, and the rights to be acquired by the company.

5. The Smithsonian represents, to its present knowledge, it has the full right and authority to disclose the Smithsonian Information to the Company, and further to its present knowledge, there has been no sale, assignment, license or transfer to any person, firm or corporation which would be inconsistent with said representation.

6. Each party understands that the Smithsonian Information may have been developed under a grant or contract from the Federal Government of the United States, and hence the Federal Government may be entitled to certain rights to the Smithsonian Information, and may also be entitled to certain limited royalty free licenses. The Smithsonian agrees to provide the Company with the details of such Government rights as part of the Information, if requested in writing.

In WITNESS WHEREOF the parties have signed or caused this agreement to be signed as of the __th day of ____, 1988.

Authorized Approvals

UNIVERSITY TECHNOLOGY CORPORATION	SMITHSONIAN INSTITUTION
By: _____	By: _____
Name: John A. Fraser	Name:
Title:	Title: _____
Date: _____	Date: _____