

LETTER OF UNDERSTANDING

To persons desiring to submit ideas or inventions to DISCOVERY ALLIANCE LLC:

We are happy that people outside our organization offer ideas and inventions which they believe may be interesting to us. We appreciate this expression of interest and, with a few exceptions we are willing to give consideration to such submissions.

Due to legal issues we must ask that you agree to the terms in this Letter of Understanding before we can consider you submission.

Firstly, we strongly suggest that you protect your proprietary interests to your satisfaction before disclosing any idea or invention. Questions relating to the meaning or legal effect of this Letter of Understanding should be discussed with your attorney. Please understand, DISCOVERY ALLIANCE cannot assume any of your expenses associated with these matters or with your submission in general.

Your submission must be made entirely in writing, on (or attached to) this signed Letter of Understanding, together with any designs or illustrations referred to in the written description.

You should keep the original or an exact copy of your submission since we do not return any material submitted to us. Both of us will then have a record for future reference.

To review your idea we may want to talk to third parties, for this and other reasons, we cannot and will not be expected to treat your disclosure as secret or confidential.

As soon as reasonably possible, your submission will be reviewed by us. We will tell you whether or not we are interested, although we will not necessarily agree to give our reasons. It is understood that no confidential relationship of any kind will exist or arise between us, and that no obligation of any kind is assumed by or to be implied against DISCOVERY ALLIANCE with respect to your submission or its use. Any future obligations will be expressed in formal contract, should both of us want to enter into one.

Your rights and DISCOVERY ALLIANCE'S sole liability arising out of the material submitted to us are to be defined solely by the patent protection that you may receive. These rights are to be measured only by the valid claims of any patent which has issued or may issue upon such material. However, nothing contained in this Letter of Understanding, or the receipt and consideration of your disclosure, shall impair the right of DISCOVERY ALLIANCE to contest the validity or infringement of any patent now or later obtained.

We frequently receive ideas or ideas or inventions which are similar to those which have been previously conceived, have previously been submitted to us by others, or which are described in prior patents or patent applications owned by DISCOVERY ALLIANCE or others. We are to be under no obligation to reveal DISCOVERY ALLIANCE'S activities of the same or similar nature, or any such patent information, or the results of our investigation.

Limited only by your patent rights mentioned above, DISCOVERY ALLIANCE shall be at all times free to use without obligation to you, similar ideas or inventions which have been developed by us, submitted by others, or become known to the public, whether before or after your submission.

Our entering into negotiations for acquiring rights to any ideas or inventions submitted shall not be prejudicial to us in any way, nor shall it be considered an admission of the novelty or usefulness of the ideas or inventions, or of priority or originality on the part of the person submitting or owning them.

I have read the preceding Letter of Understanding, and in consideration of your being willing to examine certain ideas or inventions which I am submitting for your possible acquisition rights, I agree to its terms and conditions. I also agree that these terms and conditions shall apply to all information, regardless of when submitted by me, relating to such ideas or inventions, and that they shall apply broadly to DISCOVERY ALLIANCE and to all of its related companies, and may not be modified or waived.

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| My submission is (short summary): | | | | | |
| My name (please print): | | | | | |
| Home Address: | | | | | |
| City: | | State: | | Zip Code | |
| Employer at the time the idea was conceived or developed | | | | | |
| Name: | | | | | |
| Address: | | | | | |

I warrant that I have the unrestricted right to disclose it to DISCOVERY ALLIANCE and/or dispose of it. This agreement constitutes our entire understanding with respect to the submission.

Signature of Submitter(s)

Date:

This Letter of Understanding is furnished in duplicate so that one copy may be retained by the submitter. After both copies have been completely filled in, send one signed copy with all necessary supporting material to:

DISCOVERY ALLIANCE
333 King Arthur Court
Austin, TX 78746