

TELEFAX

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Aducci, Mastriani & Schaumberg LLP

Attn. Louis S. Mastriani

Telefax: 0091-202 466 2006

From:

Peter Utterström

Advokatfirman Delphi HB

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Date:

12 August 1996

Number of pages (including this):

4

MESSAGE:

Dear Lou,

Re. Håkan Lans

Please find attached agreement concerning actions in the US signed by Håkan.

Best regards,

Peter Utterström / Kristina Svensson

AMS 000267



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VISITING ADDRESS: SERGELS TORG 12, 6TH FLOOR, STOCKHOLM, SWEDEN.

Stockholm, July 23, 1996

Håkan Lans, Esq. Ingenjörsfirman Håkan Lans AB Ringvägen 56 E 133 35 Saltsjöbaden

Dear Håkan.

Re. Agreement concerning actions in the US

Further to our meetings and discussions over the phone, faxes and e-mails please find below my interpretation of what has been agreed as regards the financial aspects of the pursuit of infringers of your US-patent 4,303,986 (below the "Patent"). As Adducci, Mastriani & Schaumberg, L.L.P. in Washington D.C. is also a part of the understanding as a result of which I keep myself to English.

The understanding is that Advokatfirman Delphi, Stockholm, (hereinafter "Delphi"), and Adducci, Mastriani & Schaumberg, L.L.P., Washington, D.C. (hereinafter "AM&S", and jointly the "Firms") shall jointly assist you on a commission basis with legal services with respect to the infringments agains the Patent. It is understood that the Firms may from time to time seek assistance from third parties. The Firms and such third parties will jointly be referred to as the "Advisors".

As regards the action to take I refer to the principal outline as presented by Louis S. Mastrani in his fax dated May 29, 1996, to you. The general outline of the phases of the project has been presented by me in an e-mail to you of June 6, 1996. By your fax dated June 12, 1996, I understand that the outline is acceptable in principle.

AMS 000268





To summarise the discussions the following is our understanding as regards the phases and the financial aspects of this undertaking and of the relationship between the parties hereto.

A. Relationship

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- 1. The firms are being retained by you for the purpose of identifying potential infringers of the Patent and negotiating license agreements with these potential infringers. The strategy for obtaining the licenses will be determined by AM&S, in consultation with Delphi, with the final terms of such licenses to be subject to your reasonable approval. If requested by a potential infringer, these license agreements may include the foreign counterparts to the Patent.
- The relationship between you and the Firms is that of client to attorney. As such, the Firms are bound by a duty of confidentiality and are authorized to have access to information concerning prior licensing negotiations and litigation related to the Lans color graphic patents anywhere in the world.

B. The Phases:

1. The project will be carried out in two phases; the first is identificaction of potential infringers of the Patent which shall be approached and requested to enter into license agreements on an "amicable basis". Although it is understood that your personal involvement will be limited to a minimum, this first phase will require some discussions with you regarding questions of a technical nature, the prior art and present technology.

During this phase all contacts, negotiations and the like with potential infringers, will be channeled through AM&S who will appoint one or two project leaders. It is understood by all the parties hereto, including you yourself, that as a result of these activities, litigation may be initiated against you and those associated with you (other than the Firms or advisors) by the potential infringers for declaratory and other relief. This agreement does not however encompass any litigation which may arise out of efforts to negotiate licenses under the `986 patent or any foreign counterpart patents.

 The second phase will involve more agressive activities - e.g. legal action through Section 337 at the US International Trade Commission and federal court(s). Your personal involvement in this phase will be limited to testimony, depositions and technical guidance. The decision as to whether



or not to pursue such litigation will be subject to the sole and exclusive discretion of AM&S.

B. Fees and expenses

Of the gross license fees paid under a Qualifying License Agreement a fee
of thirty-three (33) percent of same will be immediately paid to the Firms,
which fee shall be allocated among and between them in such mannmer as
they shall have agreed among and between themselves.

A Qualifying License Agreement is deemed to exist when a license agreement concerning the Patent is entered into between you as the licensor and any potential infringer with which the Firms or Advisors have had any form of memorialized communication at any time during the six months prior to the entering into of said agreement.

2. The Advisors shall bear all expenses incurred by them in the project. For the purposes of this agreement "expenses" shall include not only out of pocket, travel-, hotel-, per diems and similar costs and expenses but also fees due to or charged by experts and other specialists engaged by the Advisors. Any costs and expenses incurred by you in the Project shall be borne by you.

C. Term and termination

1. This Agreement may be terminated forthwith by either party. Termination shall be made in writing.

If the above is acceptable to you to form the agreement and understanding between Delphi, AM&S and yourself, I would appreciate you to sign the enclosed copy of this letter and return it to me as soon as possible.

very traffy yours

I hereby acknowledge that the above is the understanding and agreement between myself and the Firms

Hakan Lane