Clause 8.

Clause 9.

Clause 10.

The intervals at which reports are to be made by you to be fixed in a definitive contract which will supersede these letters.

Acceptable in principle, the meaning of "net sales" to be fixed in our definitive contract.

2

The University will assign to you all such rights as it possesses and will undertake to grant no rights which will entitle other firms to bring the product into Canada or to manufacture or dispose of it here. As you will be the sole assignees of our rights in Canada, it will be your duty to protect yourselves against infringement. This we understand to be the intention of your clause 10.

We are prepared to assign to you on similar terms all our rights for the British Empire, exclusive of Great Britain and Ireland.

Our whole arrangement will be embodied in a formal contract which will supersede these letters.

Yours faithfully.