

Agreement for a
Cooperative Program in the
Sale and Exchange of Technical,
Scientific, and Engineering
Information between The
American Institute in Taiwan
and
The Coordination Council for North American Affairs

I. Background

Cooperation between scientists, engineers, scholars, and institutions from the territory represented by the American Institute in Taiwan (hereinafter referred to as "the AIT") and the territory represented by the Coordination Council for North American Affairs (hereinafter referred to as "the CCNAA") is furthered pursuant to an Agreement dated September 4, 1980, between the AIT and the CCNAA. The "Taiwan Relations Act" (Public Law 96-8, April 10, 1979) authorizes the continuation of commercial, cultural and other relations between the people of the territory represented by the AIT and the people on the territory represented by the CCNAA. Such relations are conducted by or through the AIT, a non-profit corporation, incorporated under the laws of the District of Columbia. The CCNAA has been established to provide assurances and take actions on behalf of the people on the territory represented by the CCNAA. The AIT works in association with its contractor, the National Technical Information Service (hereinafter referred to as "the NTIS") in administering the program. The CCNAA performs a similar function in affiliation with its contractor, the Science and Technology Information Center of the National Science Council (hereinafter referred to as "the STIC") in the territory represented by the CCNAA.

II. Program Goals

A. To search for and collect scientific, technical, and engineering information in the territory represented by the AIT and the territory represented by the CCNAA, and to make such information available to business, industry and the general public either directly or through business services. The AIT is authorized to offer, in association with its contractor, the NTIS, products and services for sale on a self-sustaining basis, and is authorized to issue schedules of fees to achieve this end.

B. It is in the interest of the CCNAA in association with its contractor, the STIC, to open new and public access to technical information products and services,

to develop facilities in the territory represented by the CCNAA for acquiring information, and to further scientific, technical, and industrial development in the territory represented by the CCNAA.

C. The CCNAA has, in association with its contractor, the STIC, the facilities, personnel and expertise to assist the AIT, in association with its contractor, the NTIS, in searching for and identifying scientific, technical, and engineering information that is not general available in the United States.

D. This Agreement is entered into with the understanding that the CCNAA, in association with its contractor, the STIC, will provide scientific, technical, and engineering information originating from the territory represented by the CCNAA suitable for announcement and sale through the AIT, in association with its contractor, the NTIS.

III. Authorization

A. For the duration of this Agreement, the AIT grants non-exclusive authorization for the CCNAA, in association with its contractor, the STIC, to promote and sell products and services of the AIT, in association with its contractor, the NTIS. The CCNAA shall exercise this authority, subject to the terms and conditions of this Agreement, as an independent organization buying and selling products and services for its own account and not as an agent under the control of the AIT.

B. The CCNAA, in association with its contractor, the STIC, will not promote or sell products or services of the AIT or its contractor, the NTIS, to any person or jurisdiction identified by the AIT as restricted from receiving such products or services. For verification purposes, the CCNAA agrees to maintain copies of invoices for inspection by the AIT for a period of one year after issuance. Attachment Number 1 to this Agreement summarizes current restrictions. The AIT will notify the CCNAA of any changes in these restrictions.

IV. The CCNAA's Consideration

A. Attached to and made a part of this Agreement (Attachment No. 2) are the current Foreign and Domestic

Price Directories of products and services of the AIT and its contractor, the NTIS, to be promoted and sold by the CCNAA, in association with its contractor, the STIC. Updated Directories, superseding earlier editions, will be furnished to the CCNAA as they are published.

B. The CCNAA will be entitled to purchase from the AIT, in association with its contractor, the NTIS, products and services at the standard North American selling price.

V. Customer Lists

The CCNAA will furnish the AIT with a list, updated annually, of the names and addresses of customers for the regular subscription and standing order services of the AIT and its contractor, the NTIS.

VI. Acquisition of Technical Information

A. In consideration of the concessionary prices and authorization to reproduce technical granted to the CCNAA by the AIT, the CCNAA will, in association with its contractor, the STIC, during the term of this Agreement, use its best efforts to locate sources of scientific, technical and engineering information in the territory represented by the CCNAA that is suitable for distribution by the AIT, in association with its contractor, the NTIS; to assist the AIT (through negotiations with document sources and by other measures) to obtain authority for the AIT to distribute such information, in association with its contractor, the NTIS; and to facilitate the transmittal of such information to the AIT. The CCNAA shall perform this function in close coordination with the AIT and shall keep the AIT informed of its plans and efforts in this regard. The primary interest of the AIT is in technical reports that are not normally available through commercial sources.

B. Prior to the execution of this Agreement, the CCNAA will transmit to the AIT a detailed plan of its efforts to meet its responsibilities under this Article. This plan will be subject to review by the AIT and may be amended by both parties to this Agreement.

C. Reports acquired by the CCNAA will be submitted to the

AIT or its contractor, the NTIS, and will be accompanied by a release executed by the appropriate copyright authority authorizing the AIT, in association with its contractor, the NTIS, to reproduce and distribute the report(s) on a non-profit basis.

D. Reports acquired and processed by the AIT pursuant to this Agreement, will remain a part of the collection held by the AIT's contractor, the NTIS, after the termination of this Agreement.

E. Neither the CCNAA, nor the authorities in the territory represented by the CCNAA, makes any warranty, express or implied, including any warranty of merchantability or fitness for a particular purpose; nor assumes any legal liability or responsibility for any party's use, or the results of such use, of any information, apparatus, product or process disclosed in an information product or service disseminated by the CCNAA, or its contractor, the STIC; nor represents that the use of any such product or services by any party would not infringe privately owned rights.

VII. Duplication

The CCNAA may, in association with its contractor, the STIC, reproduce microfiche and paper products provided by the NTIS, the AIT's contractor, to the AIT, except those copyrighted by parties other than the NTIS (as indicated by copyright notices), provided that the CCNAA pays to the AIT 20 percent of the price in the current (at the time of sale) Foreign Price Directory of the NTIS of each microfiche and paper copy reproduced. A Foreign Price Directory is attached to this Agreement for reference purposes (Attachment No. 3).

VIII. Customer Service

The CCNAA will be responsible, in association with its contractor, the STIC, for providing customer service with respect to its sales of products and services received from the AIT in association with its contractor, the NTIS. Such service includes receiving and forwarding to the AIT, or its contractor, the NTIS, orders from customers; delivering products and services acquired from the AIT or its contractor, the NTIS, to customers; and handling customer inquiries and complaints.

IX. Order Transmittal to the AIT

The CCNAA will submit customer orders to the AIT, or its contractor, the NTIS, on order forms and in formats designed or approved by the AIT and its contractor, the NTIS, and provided at CCNAA expense. Orders may be transmitted to the AIT or its contractor, the NTIS, by mail or hand delivery to the following addresses:

American Institute in Taiwan
Attn: Joseph B. Kyle
1700 North Moore Street
Suite 1705
Arlington, VA 22209

or

National Technical Information Service
Attn: Mildred Johnson
5285 Port Royal Road
Springfield, VA 22161

X. Order Fulfillment by the AIT

A. The AIT, or its contractor, the NTIS, will ship ordered products and services to the CCNAA, or its contractor, the STIC, by air mail (\$6.00 per copy for paper copy and \$0.75 for microfiche copy) unless other arrangements are made for air freight.

B. The cost of all shipments to the CCNAA, or its contractor, the STIC, will be borne by the CCNAA or its contractor.

C. The AIT, or its contractor, the NTIS, will periodically provide the CCNAA, or its contractor, the STIC, with records listing all products and services shipped during the applicable period.

D. Title and risk of loss or damage to products and services shipped by the AIT, or its contractor, the NTIS, to the CCNAA, or its contractor, the STIC, shall pass from the AIT, or its contractor, the NTIS, to the CCNAA, or its contractor, the STIC, at the time the items are delivered to the air cargo contractor in the United States.

E. The above notwithstanding, the AIT or its contractor, the NTIS, upon presentation of conclusive evidence by the CCNAA or its contractor, the STIC, will replace without charge products or services that are unsuitable for sale due to poor printing or reproduction, or are damaged in shipment due to improper packing by the sender.

XI. Changes in Prices or Availability

A. The AIT, or its contractor, the NTIS, will promptly advise the CCNAA, or its contractor, the STIC, of additions and deletions of products and services made available for promotion or sale by the AIT or its contractor, the NTIS, to the CCNAA or its contractor, the STIC.

B. Between editions of the Price Directory, the AIT or its contractor, the NTIS, may raise or lower the retail prices of any products and services by providing written notice to the CCNAA or its contractor, the STIC. Where practical, notice will be given at least sixty (60) days in advance of major price changes.

XII. AIT Approval of Promotions

The AIT, or its contractor, the NTIS, will ship reasonable amounts of promotional materials to the CCNAA, or to its contractor, the STIC. The AIT reserves the right to review and approve in advance materials used by the CCNAA or its contractor, the STIC, to promote and sell products and services offered by the AIT or its contractor, the NTIS, and the right to instruct the CCNAA or its contractor, the STIC, to refrain from circulating or otherwise using specified promotional material.

XIII. Disclaimer of Warranties

Neither the AIT, nor the authorities in the territory represented by the AIT, makes any warranty, express or implied including any warranty of merchantability or fitness for a particular purpose; nor assumes any legal liability or responsibility for any party's use, or the results of such use, of any information, apparatus, product or process disclosed in an information product or service disseminated by the AIT or its contractor, the NTIS; nor represents that the use of any

such product or service by any party would not infringe privately owned rights.

XIV. Accounting

The AIT or its contractor, the NTIS, will maintain Deposit Account Number _____ for payments by, and charges and credits to, the CCNAA or its contractor, the STIC, under this Agreement. Within sixty (60) days of the end of each calendar month during the term of this Agreement, the AIT or its contractor, the NTIS, will furnish the CCNAA or its contractor, the STIC, with a statement indicating the status of the deposit account during the applicable month. Payment will be due sixty (60) days from the date the AIT or its contractor, the NTIS, mails a deposit account statement to the CCNAA or its contractor, the STIC. Failure to make payment within ninety (90) days will constitute a breach of contract curable under the terms of Article XVI, paragraph B, of this Agreement. If the deposit account of CCNAA or its contractor, the STIC, becomes overdrawn for more than ninety (90) days, shipments will be suspended until the account is in order.

A. The CCNAA or its contractor, the STIC, will be charged interest for amounts overdrawn, in accordance with the regulations of the authorities in the territory represented by the AIT.

B. Payments due to the AIT or its contractor, the NTIS, from the CCNAA or its contractor, the STIC, will be payable in United States dollars. Where applicable, payment may be made by wire.

C. The CCNAA and its contractor, the STIC, will maintain complete and accurate records sufficient to account for the sales of products and services of the AIT or its contractor, the NTIS. If requested by the AIT, the CCNAA will make such records available, during reasonable business hours, to a public accountant approved by the AIT, for the purpose of verifying reports and payments required of the CCNAA and its contractor, the STIC, by this Agreement.

D. The CCNAA and its contractor, the STIC, will be responsible for all bad debts incurred from its customers.

XV. Duration

This Agreement will become effective upon signature of both parties and will remain in effect for 3 years unless terminated earlier in accordance with Article XVI or renewed in accordance with Article XVII.

XVI. Termination

A. This Agreement may be terminated by the AIT or the CCNAA by delivery of written notice to the other party. In the event of termination for reasons other than breach of this Agreement, such termination shall be effective not less than six (6) months following delivery of written notice.

B. Any breach of this Agreement will be curable upon sixty (60) days written notice by the AIT or the CCNAA to the other party.

C. In the event of termination or expiration, the CCNAA or its contractor, the STIC, will account for and pay to the AIT or its contractor, the NTIS, within sixty (60) days, sums due under this Agreement; ensure the delivery of subscription products ordered prior to expiration or termination of the Agreement through their expiration dates; promptly transmit to the AIT or its contractor, the NTIS, a final list indicating names and addresses of all CCNAA or STIC customers for AIT or NTIS products or services and items ordered by each; and cease any previously authorized reproduction of AIT or NTIS products and services.

XVII. Renewal

At least ninety (90) days prior to expiration, the AIT will give consideration to renewing this Agreement on original or modified terms. In connection with such consideration, the CCNAA must submit a comprehensive review of its performance under this Agreement.

XVIII. Disputes

The AIT and the CCNAA will seek to amicably settle all problems which may be posed upon the implementation of the various clauses of the Agreement. Every effort will be made to resolve each dispute through consultations between the AIT and the CCNAA. Should resolution not prove possible, either party may terminate this Agreement upon delivery of written

notice to the other party.

XIX. Registration

The CCNAA will arrange for, and bear the expenses of, any registration, notification, or recordation of this Agreement as may be required by the authorities in the territory represented by the CCNAA.

XX. Program Expansion

A. In the interest of both parties, a mutual exchange of services that will enhance the fulfillment of this Program may be negotiated and performed, subject to funding limitations.

B. These services may include makeup, printing, and distribution of local language promotional materials, equipment, or consulting services.

C. Such services will be defined in separate task orders which will require the approval of the Agreement's signatory authorities.

XXI. Entirety of Agreement


This document constitutes the Agreement between the parties in its entirety and may not be modified except by mutual written consent of the parties.

XXII. Authorized Signatories

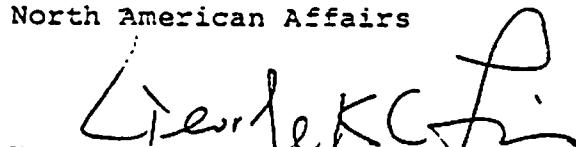
This Agreement is executed by the duly authorized representatives of the AIT and the CCNAA whose signatures are affixed below:

American Institute in Taiwan

Coordination Council for
North American Affairs



Joseph B. Kyle
Corporate Secretary



George K. C. Lu
Director, Science Division

Date: Nov. 17, 1987

Date: November 17, 1987