

**To all to whom these presents shall come or
may concern**

GREETING; KNOW YE, THAT I, ISBERT ADAM

for and in consideration of the sum of

One , dollars (\$1.00)

lawful money of the United States of America to me in hand paid by LEO SZILARD,
and for other good and valuable consideration,

the receipt whereof is hereby acknowledged, have remised, released, and forever discharged, and by these
presents do for my heirs, executors, administrators and assigns, remise, release and
forever discharge the said LEO SZILARD, his

heirs, executors, administrators and assigns, of all and from all manner of action and actions, cause and
causes of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants,
contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, extents, executions,
claims and demands whatsoever, in law or in equity, which against him I

ever had, now have or which my heirs, executors, administrators and assigns, hereafter
can, shall or may have for, upon or by reason of any matter, cause or thing whatsoever from the beginning
of the world to the day of the date of these presents, excepting, however, the liability of
the said Leo Szilard to make payment of the sum of One Thousand (\$1,000.)
Dollars on or before the 1st day of April, 1944, without interest and his
further obligation to pay the sum of Five Thousand (\$5,000.) Dollars as
more particularly provided for in a stipulation between the parties, dated
October // , 1943.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the 11th
day of October in the year one thousand nine hundred and forty three.

Sealed and delivered in the presence of

Gumples Jacobson

Isbert Adam

[L. S.]

State of New York }
County of New York } ss.:

On this 11th day of October, in the year one thousand nine hundred and
forty three before me personally appeared Isbert Adam

to me known, and known to me to be the same person described in and who executed the foregoing instru-
ment and duly acknowledged to me that he had executed the same.

Aloysius C. Falussy

ALOYSIUS C. FALUSSY
Notary Public, Queens County
Queens Co. Clk's No. 593, Reg. No. 30-F-5
New York Co. Clk's No. 547
Commission expires March 30, 1945

ISBERT ADAM

TO

LEO SZILLARD

General Release
(Individual)

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

-----X

ISBERT ADAM,

Plaintiff,

-against-

LEO SZILARD,

Defendant.

-----X

WHEREAS, the parties entered into an agreement dated December 21-26, 1936, whereunder the defendant for a valuable consideration transferred to the plaintiff certain rights in inventions theretofore made and thereafter to be made by the defendant; and

WHEREAS, the plaintiff instituted this action on the claim (a) that he had been induced to enter into the said agreement by fraud on the defendant's part and (b) on the ground that the defendant had committed certain material breaches of the said agreement, all of which the defendant has denied; and

WHEREAS, the plaintiff has come to the conclusion that no fraud was practiced upon him in the inception of the said agreement and the parties now desire to adjust their differences by effecting a cancellation of the said agreement in such a way as to revert in the defendant the rights he conveyed thereby, ~~the defendant to pay therefor a sum deemed by the parties to represent a reasonable valuation of such inventions and patent rights;~~

NOW, THEREFORE, in consideration of the premises,

G.A.
S.J.
L.S.
F.M.

it is hereby stipulated and agreed by and between the parties hereto and their respective attorneys that the above entitled action be and the same hereby is settled upon the following terms and conditions:

1. That the defendant shall pay to the plaintiff in full settlement of any and all claims which the plaintiff may have, as set forth in the complaint of this action or otherwise to the date of this stipulation, the sum of Eight Thousand (\$8,000.00) Dollars, as follows:

(a) The sum of Two Thousand (\$2,000.00) Dollars upon the execution of this stipulation, receipt of which by the plaintiff is hereby acknowledged;

(b) An additional sum of One Thousand (\$1,000.00) Dollars on or before the 1st day of April 1944; and

(c) An additional amount of Five Thousand (\$5,000.00) Dollars to be paid as follows:

In reduction of the amount of Five Thousand (\$5,000.00) Dollars the defendant shall pay quarterly amounts equivalent to twelve percent (12%) of his gross salary, if any, earned from April 1, 1944 on, such payments to begin on July 1, 1944.

In further reduction of the said amount of Five Thousand (\$5,000.00) Dollars the defendant shall pay amounts equivalent to twelve percent (12%) of all moneys, other than his salary, received by him after April 1, 1944 as income, capital gains, inheritance, donations or awards, less all expenses incurred in acquiring such moneys. The payments provided for in the preceding sentence shall not be made quarterly, but within one (1) month after the date on which the defendant files his annual Federal income tax return for any period within which he has received moneys obligating him to such further payments.

L. S.
D. A.

With respect to the amount to be paid under 1(c) interest shall be paid by the defendant at the rate of four percent (4%) per annum, beginning on April 1, 1944, on the unpaid balances. All payments made by the defendant, as provided herein, in reduction of the amount of Five Thousand (\$5,000.00) Dollars shall be applied first to interest up to and including the date of payment, and any excess over interest then owing to the reduction of the principal. Within two (2) weeks after receipt of such payments the plaintiff shall send the defendant a written statement showing how much of the amount paid by the defendant is to be charged to principal and how much to interest.

Within one month after the date on which the defendant files his annual Federal income tax return he will send to the plaintiff a true and correct copy thereof and a check for any amount that may be owing for the tax period in addition to the amounts already paid by the defendant. The defendant will also send together with the copy of the income tax return a sworn statement, setting forth any income, capital gains, inheritance, donations or awards, received during the tax period, in so far as they are not included in the income tax return, or a sworn statement certifying that no moneys were received by him as income, capital gains, inheritance, donations or awards, not included in the income tax return, as the case may be. If such documents are accepted and retained by the plaintiff without written objection for a period of six (6) months the information therein shall be conclusive for all purposes. In the event plaintiff objects to the accuracy of such income tax return or sworn statement he shall have the right within six (6) months after the receipt thereof to demand arbitration. Such arbitration shall take place in New York. The rules

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G.A.

then prevailing of the American Arbitration Association shall apply to such arbitration.

2. Simultaneously with the execution of this stipulation the plaintiff shall furnish to the defendant a formal stipulation of discontinuance of the above entitled action, setting forth that the action shall be discontinued without costs to either party and that an order of this Court may be entered effecting such discontinuance without further notice.

3. Simultaneously with the execution of this stipulation the plaintiff shall also furnish to the defendant a verified statement acknowledging the cancellation of the contract dated December 21-28, 1936 and all other agreements which the plaintiff has alleged were made between the parties, and representing to the defendant that no such contracts nor any rights which the plaintiff may have therein have been transferred, assigned or otherwise disposed of by the plaintiff to any other person; that the plaintiff's power to release all his rights has in no way been impaired; and that the plaintiff has not granted unto any other person any rights under such contracts.

4. Simultaneously with the execution of this stipulation the defendant shall execute a confession of judgment in the amount of One Thousand (\$1,000.00) Dollars, and a second confession of judgment in the amount of Five Thousand (\$5,000.00) Dollars with interest at the rate of four percent (4%) per annum from April 1, 1944. Both of the above mentioned confessions of judgment shall be executed in two forms. The four aforesaid documents containing the two

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confessions of judgment shall be delivered to Gunther Jacobson, Esq., plaintiff's attorney, who shall hold the same in escrow until the respective amounts due thereunder shall have been paid, and at those times the respective confessions of judgment shall be given to defendant's attorney, Fritz Moses, Esq., provided, however, that:

(a) In the event the defendant defaults in the payment of the amount of One Thousand (\$1,000.00) Dollars due on April 1, 1944 for a period of more than two (2) weeks, such period to begin on the date a written demand for its payment has been made by the plaintiff upon the defendant by registered mail both to the defendant and to the defendant's attorney, plaintiff may enter judgment against the defendant on the basis of the confession of judgment for the amount of One Thousand (\$1,000.00) Dollars in a competent Court of either the State of New York or the State of Illinois; and, simultaneously with the application for the entry of judgment in one State, plaintiff's attorney shall send to defendant's attorney the form of the confession of judgment for One Thousand (\$1,000.00) Dollars not used in such application.

(b) In the event the defendant defaults in the delivery of a copy of the Federal income tax return and sworn statement concerning his receipts of moneys not included in the tax returns or in any of the payments, as provided for in article 1 (c) of this stipulation, which are due the plaintiff on the basis of the statements to be made by the defendant to the plaintiff, and such default continues for a period of more than two (2) weeks after due demand has been made by

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the plaintiff upon the defendant and defendant's attorney by registered mail, the plaintiff may enter judgment against the defendant on the basis of the confession of judgment for Five Thousand (\$5,000.00) Dollars with interest for the amount of principal and interest then due in a competent Court of the State of New York or the State of Illinois; and, simultaneously with the application for the entry of judgment in one State, plaintiff's attorney shall send to defendant's attorney the form of the confession of judgment for Five Thousand (\$5,000.00) Dollars not used in the said application.

(c) In the event plaintiff objects to the accuracy of any copy of the Federal income tax return or sworn statement sent him by the defendant, pursuant to article 1(c); and the plaintiff thereupon has duly demanded arbitration and a final award has been rendered stating that an amount in addition to those paid is owed by the defendant; and due demand for the payment of such amount has been made by the plaintiff upon the defendant and defendant's attorney by registered mail, and more than two (2) weeks have elapsed without payment since the date of such demand, then plaintiff may enter judgment against the defendant on the basis of the confession of judgment for Five Thousand (\$5,000.00) Dollars with interest for the amount of principal and interest then due in a competent court of the State of New York or the State of Illinois; and, simultaneously with the application for the entry of judgment in one State, plaintiff's attorney shall send to defendant's attorney the form of the confession of judgment for Five Thousand (\$5,000.00) Dollars not used in such application.

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In the event that under the laws of the State of New York or the State of Illinois a confession of judgment becomes invalid after a certain time has elapsed, the defendant shall upon demand, made by the plaintiff not more than six (6) months before the date on which the confession will become invalid, execute a new confession of judgment in the same form as the original, except that the amount of the judgment shall be the amount due at the time of execution, and such confession of judgment shall be delivered to Gunther Jacobson, Esq., upon the return of the original confession of judgment, to be held on the same conditions as provided hereinbefore for the original confessions of judgment.

5. The parties agree that in no case, even in the event of a default in any of the payments provided for herein, shall any action be instituted against the defendant upon the basis of any dealings between the parties prior to the date of this stipulation, and that the plaintiff shall be relegated only to the remedies against the defendant upon the basis of this stipulation.

6. Upon the execution of this stipulation the plaintiff shall execute and deliver to the defendant a general release in favor of the defendant in the usual form containing, however, the following exception: "excepting, however, the liability of the said Leo Szilard to make payment of the sum of One Thousand (\$1,000.00) Dollars on or before the 1st day of April 1944 without interest and his further obligation to pay the sum of Five Thousand (\$5,000.00) Dollars as more particularly provided for in a stipulation between the parties, dated October // ,1943."

B. J.
F. M.
S. S.
J. A.

7. All notices and demands under the terms of this agreement to be sent to the defendant shall be addressed as follows: Dr. Leo Szilard, 1156 East 57th Street, Chicago, Illinois, unless the defendant shall have informed plaintiff's attorney by registered mail of a change of address; and in that event all such notices and demands shall be addressed to the latest address given.

8. All communications to be sent to the plaintiff under the terms of this agreement shall be addressed to Gunther Jacobson, Esq., 36 West 44th Street, New York, N.Y., or to such other address as he may designate by registered letter to the defendant from time to time; and all payments to the plaintiff herein shall be made to Gunther Jacobson, Esq., plaintiff's attorney, at his office in cash or by money order or check to the order of Gunther Jacobson, Esq.; and all payments so made shall, to the extent thereof, discharge the obligations of the defendant herein.

9. Any conditions contrary to this stipulation, attached by the defendant to any payment made by him hereunder, shall be ineffective, and neither the plaintiff nor his attorney shall be deemed to have accepted any such condition by accepting such payment, cashing such a check, or any other such act or actions.

10. This stipulation contains the entire agreement between the parties hereto and no representations or warranties other than set forth herein have been made by either of the parties.

L.S.
D.A.

11. The defendant may at any time, anything herein to the contrary notwithstanding, pay any amounts owing hereunder prior to the due dates, in which event interest must be paid to and including the date or dates of actual payment.

Dated: New York, New York, October 11th, 1943.

ISBERT ADAM
Plaintiff

GUNTHER JACOBSON
Attorney for Plaintiff

LEO SZILARD
Defendant

FRITZ MOSES
Attorney for Defendant

State of New York)
County of New York) SS.

On this 11 day of October, 1943, personally appeared before me Isbert Adam, known to me and to me known to be the person described in and who executed the foregoing instrument and acknowledged that he executed the same.

Aloysius C. Falussy.
Notary Public

State of New York)
County of New York) SS.

On this 11th day of October, 1943, personally appeared before me Leo Szilard, known to me and to me known to be the person described in and who executed the foregoing instrument and acknowledged that he executed the same.

Haskell R. Barst
Notary Public

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

----- X

ISBERT ADAM,

Plaintiff,

-against-

STATEMENT AND
CONFESSION OF
JUDGMENT.

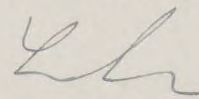
LEO SZILARD,

Defendant.

----- X

I, LEO SZILARD, the defendant in the above entitled action, do hereby confess judgment in this court in favor of ISBERT ADAM, plaintiff, for the sum of \$5,000.00 together with interest at the rate of four percent per annum from April 1, 1944, and hereby authorize said ISBERT ADAM, his heirs, executors, administrators or assigns to enter judgment therefor against me. This confession of judgment is for a debt justly due, arising out of the following facts:

The plaintiff and defendant in an action in the Supreme Court of the State of New York, County of New York, Index #8261/42, entered into a settlement agreement, a copy of which is hereto annexed and made a part hereof. The defendant assumes all the liabilities arising therefrom and stands justly indebted to plaintiff in the sum of \$5,000.00 with interest at 4% per annum from April 1, 1944, pursuant to Article 1 (c) of the said settlement agreement.



STATE OF NEW YORK)
COUNTY OF NEW YORK) SS:

LEO SZILARD, the defendant above named, being duly sworn, says that the above statement and confession of judgment in the matters of facts therein set forth are true.

Sworn to before me this
11th day of October, 1943.

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

-----X
 ISBERT ADAM, :
 : Statement and Con-
 Plaintiff, : fession of Judgment.
 -against- :
 LEO SZILARD, :
 Defendant. :
 -----X

I, LEO SZILARD, the defendant in the above entitled action, do hereby confess judgment in this court in favor of ISBERT ADAM, plaintiff, for the sum of \$1,000.00, without interest, and hereby authorize said ISBERT ADAM, his heirs, executors, administrators or assigns to enter judgment therefor against me. This confession of judgment is for a debt justly due, arising out of the following facts:

The plaintiff and defendant in an action in the Supreme Court of the State of New York, County of New York, Index #8261/42, entered into a settlement agreement, a copy of which is hereto annexed and made a part hereof. The defendant assumes all the liabilities arising therefrom and stands justly indebted to plaintiff in the sum of \$1,000.00, without interest, pursuant to article 1 (b) of the said settlement agreement.

Lh.

STATE OF NEW YORK)
 COUNTY OF NEW YORK) SS:

LEO SZILARD, the defendant above named, being duly sworn, says that the above statement and confession of judgment in the matters of facts therein set forth are true.

Sworn to before me this
 11th day of October, 1943.

CONFESSION OF JUDGMENT.

I, LEO SZILARD, of 1155 East 57th Street, Chicago, Illinois, having today entered into a certain contract and stipulation with ISBERT ADAM, of Hotel Marcy, West End Avenue at 95th Street, New York, New York, a copy of which stipulation is hereto annexed and marked Exhibit "A" and made a part hereof.

and the said contract containing in article 1 (b) thereof an obligation to pay One Thousand (\$1,000.00) Dollars on April 1, 1944.

to secure the payment of said amount hereby authorize, irrevocably, any attorney of any Court of Record to appear for me in such Court of the State of Illinois, in term time or vacation, at any time hereafter whenever the conditions upon which pursuant to the said contract a judgment may be entered, have been complied with, and confess a judgment, without process, in favor of the said ISBERT ADAM, for such amount as shall then be unpaid on the said obligation, together with costs, and consent to immediate execution upon such judgment, hereby ratifying and confirming all that my said attorney may do by virtue hereof.

STATE OF NEW YORK)
) SS:
COUNTY OF NEW YORK)

On this 11th day of October, 1943, before me personally appeared LEO SZILARD, to me known and known to me to be the individual described in and who executed the foregoing instrument and he duly acknowledged to me that he executed the same.

CONFESSION OF JUDGMENT.

I, LEO SZILARD, of 1155 East 57th Street, Chicago, Illinois, having today entered into a certain contract and stipulation with ISBERT ADAM, of Hotel Marcy, West End Avenue at 95th Street, New York, New York, a copy of which stipulation is hereto annexed and marked "A" and made a part hereof,

and the said contract containing in article 1 (c) thereof an obligation to pay to the said ISBERT ADAM the sum of Five Thousand (\$5,000.00) Dollars with interest at the rate of four percent (4%) per annum from April 1, 1944 upon unpaid balances in a certain manner,

to secure the payment of said amount hereby, authorize, irrevocably, any attorney of any Court of Record to appear for me in such Court of the State of Illinois, in term time or vacation, at any time hereafter whenever the conditions upon which pursuant to the said contract a judgment may be entered, have been complied with, and confess a judgment, without process, in favor of the said ISBERT ADAM, for such amount as shall then be unpaid on the said obligation, together with costs, and consent to immediate execution upon such judgment, hereby ratifying and confirming all that my said attorney may do by virtue hereof.

STATE OF NEW YORK)
) SS:
COUNTY OF NEW YORK)

On this 11th day of October, 1943, before me personally appeared LEO SZILARD, to me known and known to me to be the individual described in and who executed the foregoing instrument and he duly acknowledged to me that he executed the same.

KNOW ALL MEN BY THESE PRESENTS

That I, ISBERT ADAM, do hereby surrender and terminate all rights which I have had under a contract entered into by and between LEO SZILARD and myself concerning certain patent rights, etc. of LEO SZILARD under date of December 21-28, 1936, and I hereby represent and declare that I have not transferred or assigned or otherwise disposed of any such contracts or any rights therein; that my power to surrender and terminate such rights has in no way been impaired by any transaction entered into by me, and that I have at no time granted any other person any right under the said contract.

IN WITNESS WHEREOF, I have hereunto set my hand and seal in the City of New York, State of New York, on this 11th day of October, 1943.

Isbert Adam (I. S.)

STATE OF NEW YORK)
) SS:
COUNTY OF NEW YORK)

ISBERT ADAM, being duly sworn, deposes and says that he is the person who executed the foregoing instrument; that he has read the same and knows the contents thereof; and that the same is true to his own knowledge.

Seen & before me
this 11 day of Oct

Aloysius C. Falussy

ALOYSIUS C. FALUSSY
Notary Public, Queens County
Queens Co. Clk's No. 593, Reg. No. 39-F-5
New York Co. Clk's No. 547
(Commission expires March 30, 1945)

for herein, no action shall be instituted against the defendant upon the basis of any dealings between the parties to the date of this stipulation, and that the plaintiff shall be relegated only to an action against the defendant upon the basis of this stipulation.

In the event that the plaintiff, for any reason whatsoever, institutes any action or proceeding to set aside this stipulation, he shall be obliged to refund to the defendant any and all payments made pursuant to this stipulation together with interest at the rate of 6% per annum from the date of such payments

9. In the event the plaintiff, upon the receipt of any installment under paragraph 2 (c) of this stipulation, questions the proper computation of the amount of such payment, the defendant shall be obliged to furnish the plaintiff within 30 days thereafter his affidavit, ~~xxxxxx~~ certifying to the amount of his gross income for the period upon which the payment has been computed.

10. This stipulation contains the entire agreement between the parties hereto and no representations or warranties other than set forth herein have been made by either of the parties.

Dated: New York, New York, October 1943.

Plaintiff

Attorney for Plaintiff

Defendant.

Attorney for Defendant

TRANSLATION

As integration of the agreement concluded between the parties by exchange of letters in September 1936, MR. ISBERT ADAM, Danzig, and MR. LEO SZILARD, New York and Oxford, agree upon the following terms:

Art. 1 Szilard has applied for patents in the field of transmutation of elements in England and America. One English patent, No. 440023, has already been granted. Szilard may in the future apply for more patents in this field.

Szilard states that the American application has been made within the priority period of the patent union of one year after the first English application of March 12, 1934.

Art. 2 The English patent already granted Szilard and that part of the American application which is equivalent to this English patent will be hereinafter referred to as "Contract patents in a narrower sense". They are dealt with in Art. 3.

(All the)^o other patents ^{which} Szilard ^{has} secured for himself in the past or will secure for himself in the future by patent application will, if such patents fall within this contract, be hereinafter referred to as "contract patents in a wider sense". They are dealt with in Art. 4.

Art. 3 For the contract patents in a narrower sense Mr. Adam receives a license in accordance with the following terms:

- a) Mr. Adam is authorized to produce radio active substances in every country. He may also award sub-licenses to third persons or corporations, however, except as otherwise stated in clause b), to but one third person or corporation in each country.

- b) To the extent as radio active substances are produced by making use of the surgenerator or the ring tube or the laminated tube, patented for Brasch and Lange or a combination thereof, Mr. Adam is authorized to grant an unlimited number of sub-licenses in each country.
- c) Mr. Szilard retains the right to grant licenses to third parties for the use of the existing patent in the narrower sense and the patents in a narrower sense to be acquired in the future, except that no such licenses may be granted concerning claim 7 of the English patent (chemical separation of radio active isotopes, - separation method -) and the corresponding claims of the corresponding American application, this being an exclusive license as to these claims.

Until October 15, 1939, however, Mr. Szilard will make no use of this privilege unless he considers it necessary to meet the desire of one of the pioneers of the modern methods of smashing atoms. The persons in question shall be fixed by exchange of letters between Brasch, as representative of Mr. Adam, and Szilard.

In case Szilard shall grant a license on the basis of this privilege on or before October 15, 1939, or thereafter, he will pay Mr. Adam half the amount received from these licenses, after deduction of expenses (conf. Art. 6). Mr. Szilard, however, will not begin negotiations with any firm or person with whom Mr. Adam is negotiating.

Art. 4. Patents in the field of transmutation of elements which were or will be granted to Szilard pursuant to applications filed prior to November 20, 1936, as far as they are not "contract patents in a narrower sense" under Art. 2, shall become subject to the provisions of this contract, as "contract patents in a wider sense" as soon as Szilard shall obtain the power of disposing of these patents. This provision shall apply to all the patents in the field of transmutation of elements for which Szilard will apply, alone or together with others, after November 20, 1936 and prior to October 15, 1938.

The patents applied for by Szilard, alone or with others, between October 15, 1938 and October 15, 1941, can also be made subject to this agreement as contract patents in a wider sense, if Mr. Adam shall make use of the option granted him in Art. 5, subsection 2.

Mr. Adam shall enjoy the privilege of most favored treatment with reference to the contract patents in a wider sense, i.e., Szilard will grant no licenses to third persons concerning (the use of) these patents and patent applications, which in any way will be more favorable than the rights he is willing to grant Mr. Adam, in said patents and patent applications. Patents transmitted by Szilard to governments free of charge are excepted from the restrictions in the last preceding sentence.

Mr. Adam is authorized to transfer the privilege of most favored treatment herein granted to him to one third person in each country concerned, by binding himself to assign the license granted him pursuant to his privilege of most favored treatment.

It is agreed by and between the parties to this contract that circumstances may arise, in case of a change

Accepted therefrom in pages 2-4 which Mr. Szilard gave to government without charge

Grant a sublicense under the license granted him pursuant

of Szilard's working conditions, which will make it impossible for him to apply for further patents, or to tender patent applications and patents, which are contract patents in a wider sense under this contract.

In such event Mr. Szilard will be free from the obligations of this article; however, the patents applied for prior to this time remain subject matters of this contract.

preceding term
Art. 5. As equivalent for the rights granted him by the terms of this contract Mr. Adam shall pay to Szilard - subject to subsection 2 of this article - the sum of American \$14,810. of which sum a part of \$4870 will become payable within 14 days, \$4870 on April 1, 1937, and \$4870 on October 1, 1937.

Mr. Adam may acquire the privileges of Art. 4 concerning the patents applied for by Mr. Szilard within one year after October 15, 1938, if he shall make an additional payment of \$4870 on or before October 1, 1939. The same rule shall apply to subsequent years until October 1, 1941.

All payments shall be made into the account of Leo Szilard with the Chase National Bank of New York.

Art. 6. In the event that Mr. Adam shall produce radioactive substances under the licenses granted to him herein, Mr. Szilard shall receive upon the expiration of the first year of manufacturing, during which no royalties are paid to Mr. Szilard, at his election either 15% of the wholesale price of the products or 15% of the net profit.

In the event that the exploitation of the license and the privilege of most favored treatment herein granted to Mr. Adam shall take place by assignment thereof, wholly or in part, to third persons or conveying them to a corporation, the net proceeds, after deduction of the expenses of each

shall be equally divided between Mr. Adam and Mr. Szilard. The payments made by Mr. Adam pursuant to Art. 5 will in this event be applied to Mr. Szilard's share. This shall be achieved by paying 80% of the incoming amounts to Mr. Adam and to Mr. Szilard only 20%, until all the payments which were advanced shall have been covered.

The following are considered expenses:

- a) The expenses resulting from now on from the maintenance of the English patent and the acquisition and subsequent maintenance of the American patent.
- b) The cost of this contract.
- c) The amounts spent for the exploitation of the patent rights.

When these expenses shall exceed £ 15,000.--, further expenses shall be ^{charged} applied for the purpose of computing the mutual shares of profit in such manner ^{only} that Mr. Szilard shall receive ^{always} at least 20% of incoming ^{amounts} (profits.)

The question who has to advance the necessary expenses will be agreed on from time to time between the parties.

If the exploitation of the patent rights under this contract shall take place by disposing of them together with the patent rights of other inventors, a special agreement is needed to fix the share Mr. Szilard shall receive under the patent rights granted to Mr. Adam under this agreement as compared with the shares attributable to the other patents. If no agreement can be reached the issue shall be determined by arbitration as per Art. 12.

as to the share of the rights, granted by this contract by Szilard to Adam, within the total rights disposed of.

Art. 5, subsection 2, shall apply to payments made under the preceding conditions.

shall prove not perfectable

Art. 7. In case the claim No. 7 of the English patent because of prior act or judicial decision shall become void, or in case a third party shall be adjudicated to have the ^{prior user} right to use the patent, or in case the American application corresponding to the English patent shall finally be rejected by the American patent office, in such event Mr. Adam shall have the right to terminate this agreement, unless an exploitation of the patents shall have ^{fallen place} begun. The termination must be declared within one month after gaining knowledge of the grounds therefor.

The obligation of Mr. Adam, set forth in Art. 5, subsection 1, of paying Mr. Szilard the sum of \$4870 within 14 days after the execution of the contract and of paying another sum of \$4870 on April 1, 1937, shall remain unchanged in case notice shall be given as aforesaid.

In the event that notice shall be given by Mr. Adam after payment of the third instalment of \$4870 payable pursuant to Art. 5, subsection 1, of this contract on October 1, 1937, Mr. Szilard shall, if the notice be given within the first three years of this contract, be under a duty of repaying the amount of \$4870 to Mr. Adam. This duty of repaying shall not take place ^{if and insofar} (to the extent) this amount shall have been used up for scientific research ^{until} (at/the time notice is given.

Otherwise this contract will last as long as patents or patent applications falling under this contract shall continue to exist.

Art. 8. If Mr. Szilard shall receive an average of less than \$4870 per year after the termination of the third

contract year, i.e., after October 15, 1939, he shall have the right to rescind this contract, if he shall pay Mr. Adam twice the amount received from him by Szilard.

Art. 9. Mr. Szilard will deliver to Mr. Adam a duly notarized and legalized power of attorney authorizing Adam, in the event that Szilard shall be prevented from doing so, to give instructions to Szilard's patent attorney and to the proper authorities, to the extent necessary for the maintenance of the English patent and the promotion of the American application, or the maintenance of the American patent applied for.

to represent Adam with respect to his patent atty and the authority concerned

Mr. Szilard will instruct his patent attorneys to send copies of all letters and briefs concerning the contract patents in a narrower sense to Mr. Arno Brasch as representative of Mr. Adam, and to accept the instructions from Mr. Brasch with reference to these patents to the extent that no instructions of Mr. Szilard have been received.

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Both parties shall be liable to each other in the conduct of patent matters ^{only} for such degree of care as they are accustomed to use in their own affairs.

Art. 10. Mr. Szilard will notify Mr. Adam immediately when he applies for or withdraws further patents subject to this contract.

Art. 11. In the interest of clarification for purposes of taxation the relation of the values of the American application to the English patent is assumed at the ration of 4 to 1.

Art. 12. This contract is subject to the laws of the State of New York.

In the event that controversies between the parties shall arise from this contract which cannot be composed, these controversies shall be settled in accordance with the arbitration law of the State of New York.

Oxford, December 28, 1936
Leo Szilard

Danzig, December 21, 1936
Isbert Adam

KNOW ALL MEN BY THESE PRESENTS

That I, ISBERT ADAM, do hereby surrender and terminate all rights which I have had under a contract entered into by and between LEO SZILARD and myself concerning certain patent rights, etc. of LEO SZILARD under date of December 21-28, 1936, and I hereby represent and declare that I have not transferred or assigned or otherwise disposed of any such contract or any rights therein; that my power to surrender and terminate such rights has in no way been impaired by any transaction entered into by me, and that I have at no time granted any other person any right under the said contract.

IN WITNESS WHEREOF, I have hereunto set my hand and seal in the City of New York, State of New York, on this 11th day of October, 1943.

Isbert Adam (L.S.)

STATE OF NEW YORK)
) SS:
COUNTY OF NEW YORK)

ISBERT ADAM, being duly sworn, deposes and says that he is the person who executed the foregoing instrument; that he has read the same and knows the contents thereof; and that the same is true to his own knowledge.

Sworn to before me this
11th day of October, 1943.

Isbert Adam

Aloysius C. Falussy

