

UF 109-4

AGREEMENT BETWEEN HOWARD N. SMITH
AND HOWARD W. LEWIS (A PARTNERSHIP)
AND JOHN F. BYRNE

The purpose of this agreement is to sell, license, or otherwise dispose of, in whole or in part, on a cash, royalty, combination, or other basis, knowledge of a principle of language cyphering discovered by Mr. Byrne, and rights to a device (including plans, notes, and models) invented by Mr. Byrne which makes possible the practical application of this principle. Both the principle and the device have been given the name "Chaocypher" and have been generally described in Mr. Byrne's book, Silent Years, published in 1953 by Farrar, Straus and Young, Inc.

I, John F. Byrne, am the discoverer of the Chaocypher principle and the inventor and sole owner of the Chaocypher device referred to above. I hereby grant to Howard N. Smith and Howard W. Lewis (hereafter referred to as "Lewis & Smith") the right to promote the Chaocypher for me for the above purpose using whatever means they feel appropriate subject to the following four conditions:

(1) Lewis & Smith shall be the only party authorized by me to promote the Chaocypher during the eighteen month period commencing with the effective date of this agreement. Lewis & Smith agree that they will not offer, promote, or sell any other device or idea which may in any way compete with the Chaocypher during the same eighteen month period.

(2) Listed below are the names of individuals and/or organizations which are current promotional contacts of my own, and which Lewis & Smith agree shall remain my contacts for purposes of this agreement. Any other contacts shall belong to the party (either Lewis & Smith or myself) which first brings the Chaocypher to the contact's attention subsequent to the effective date of this agreement.

(3) I shall remain the sole owner of the Chaocypher, and Lewis & Smith do not have the authority to commit me in any sale, licensing, or other agreement unless I have previously given them such authority in writing.

(4) All promotional expenses incurred by Lewis & Smith including but not limited to traveling, entertaining, printing, mailing, and legal fees shall be borne entirely by Lewis & Smith.

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AND JOHN F. BYRNE

(Continued)

I, John F. Byrne, hereby promise to pay Lewis & Smith a sum of money equal to forty per cent of any money or other things of value received by me directly or indirectly, without time limitation, as a result of any sale, licensing, or other agreement (or agreements) which is (are) made with their contact (or contacts) as defined above.

We, Lewis & Smith, in consideration of having been granted the right to promote the Chaocypher in accordance with the conditions specified above, hereby promise to promptly and diligently make every reasonable effort to achieve the purpose for which this agreement has been drawn up. We further agree, now and forever, to respect Mr. Byrne's integrity as sole discoverer and inventor of the Chaocypher, and agree not to disclose the essence of the Chaocypher to any party at any time for any reason without the prior approval of Mr. Byrne. In addition, we agree not to accept any gain from any party as a result of our knowledge of or promotional efforts concerning the Chaocypher other than that specified above.

It is further agreed by both parties that the effective date of this agreement shall be (subsequent to the signing of this agreement by both parties) the day on which Mr. Byrne, or his agent, describes the Chaocypher principle and device in sufficient detail to permit Mr. Smith and Mr. Lewis to have an intellectual understanding of the Chaocypher and a conviction as to its fundamental validity. On that day, Lewis & Smith will notify Mr. Byrne by registered mail that such understanding exists to their satisfaction, and that this agreement is in effect.

AGREED:

(Signed) _____
John F. Byrne, Date _____

State of California
County of Santa Clara

(Signed) _____
Date _____

—ACKNOWLEDGMENT—General

On this 3rd day of MARCH A. D. 1954 before me,
Doris Nicolaisen a Notary Public in and for the said
County and State, residing therein, duly commissioned and sworn, personally appeared
HOWARD N. SMITH AND HOWARD W. LEWIS

known to me to be the persons whose names are subscribed to the within
Instrument, and acknowledged to me that they executed the same.

In Witness Whereof, I have hereunto set my hand and affixed my official seal the day and
year in this Certificate first above written.

Doris Nicolaisen
Notary Public in and for said County and State of California.

My Commission Expires _____ My Commission Expires April 14, 1957

