

MEMORANDUM OF UNDERSTANDING
BETWEEN THE
UNIVERSITY OF PUERTO RICO AT MAYAGÜEZ
(UPRM)
AND
AMI MICROSENSORS, INC.
(AMI Microsensors)

THIS MEMORANDUM OF UNDERSTANDING is made by and between the University of Puerto Rico at Mayagüez (UPRM), a land-grant public institution of higher learning located in the Commonwealth of Puerto Rico, here represented by its Chancellor Dr. Zulma R. Toro-Ramos, and AMI Microsensors, Inc. (AMI Microsensors), a Maryland corporation with a branch office established at 667 Cubita Street, Los Frailes Industrial Park, Guaynabo, Puerto Rico, here represented by its Chairman, Dr. James S. Whang.

WHEREAS, UPRM and AMI Microsensors are aware that high quality education, training, research, development, knowledge dissemination, technology transfer, service, and outreach are the basis for the economic well being and development of Puerto Rico;

WHEREAS, UPRM and AMI Microsensors are interested in establishing close ties in research and development of advanced technologies in the areas of microelectronics and microsensors technologies and processes;

WHEREAS, UPRM and AMI Microsensors are concerned with issues of continued and sustainable development of high-technology industries, and the need for creative, competent, and entrepreneurial personnel;

WHEREAS, collaboration between the two institutions which share economic and human development goals is highly desirable;

and evaluation criteria; f) Non-disclosure and intellectual property agreements, and when applicable, g) The costs apportioned to each institution.

IV. OTHER TERMS AND CONDITIONS

- A. UPRM and AMI Microsensors shall be responsible for their respective costs associated with the activities in this Memorandum of Understanding. Payment for costs associated with future agreements will be subject to negotiations between UPRM and AMI Microsensors.
- B. Nothing in this Memorandum of Understanding shall obligate UPRM and AMI Microsensors individually or collectively, to any current or future expenditure of resources in advance of the availability of appropriations through their respective fiscal authorization procedures.

V. PERIOD OF AGREEMENT

This Memorandum of Understanding shall be effective immediately when signed by authorized representatives of both UPRM and AMI Microsensors, and shall remain in force for five (5) years from that date unless terminated according to the provisions of paragraph VIII below. This Memorandum of Understanding shall be renewable for additional time period as mutually agreed upon by representatives of UPRM and AMI Microsensors.

VI. EQUAL OPPORTUNITY

UPRM and AMI Microsensors subscribe to the policy of Equal Opportunity and will not discriminate on the basis of race, sex, age, political orientation, ethnicity, religion, or national origin. UPRM and AMI Microsensors shall abide by these principles in the administration of this Memorandum of Understanding, and neither entity nor any of its representatives shall knowingly impose criteria for the exchange of scholars, staff, or students that would violate the principles of nondiscrimination.

VII. MODIFICATION

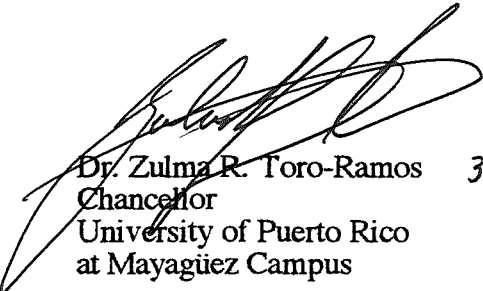
Authorized representatives of UPRM and AMI Microsensors may modify this Memorandum of Understanding by mutual agreement only in writing. Modifications shall be incorporated by reference and made a part of this Memorandum of Understanding.

VIII. TERMINATION

Authorized representatives of UPRM and AMI Microsensors may terminate this Memorandum of Understanding at any time by written mutual agreement or upon 90 days advanced notice by either Party.

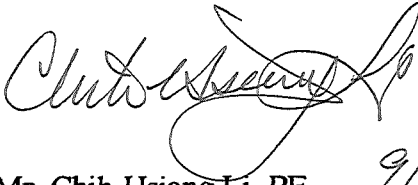
UNIVERSITY OF PUERTO RICO
AT MAYAGÜEZ CAMPUS

AMI MICROSENSORS, INC.



Dr. Zulma R. Toro-Ramos
Chancellor
University of Puerto Rico
at Mayagüez Campus

3/10/100



Mr. Chih-Hsiang Li, PE
Member of the Board of Director,
Secretary and Treasurer
AMI Microsensors, Inc.
15800 Crabbs Branch Way
Rockville, Maryland

9/26/2000