

file - HISI Contracts



RECEIVED
FEB 28 1973
J. H. SALTZER

MASSACHUSETTS INSTITUTE OF TECHNOLOGY
INFORMATION PROCESSING SERVICES
CAMBRIDGE, MASSACHUSETTS 02139


27 February 1973

Memorandum to: W. J. Burner
F. J. Corbato
R. C. Daley
J. H. Saltzer ✓

For your files I am enclosing a copy of the Multics software agreement, dated February 13, 1973.

This agreement, I believe, resolves the issues relative to the copyright, protection, dissemination, and use of Multics software as it currently exists and as HISI and MIT may separately develop it in the future.

If we expect extensive MIT participation with HISI in joint software developments in the future, a stronger MIT right to such joint software might be useful. I am sure we can arrange this if necessary.


Robert H. Scott
Director

RHS:sms
Enclosure

MULTICS SOFTWARE AGREEMENT

FEB 22 1973

Agreement made this

13th

REF. TO
day of February,
FILE

1973, by and between the Massachusetts Institute of Technology (hereinafter referred to as M.I.T.), a corporation organized under the laws of the Commonwealth of Massachusetts, having its principal place of business in Cambridge, Massachusetts; and Honeywell Information Systems, Inc., (hereinafter referred to as HIS), a Delaware corporation having a place of business within the Commonwealth of Massachusetts at 200 Smith Street, Waltham, Massachusetts.

Whereas effective October 1, 1970, HIS succeeded to substantially the entire business of the General Electric Company (hereinafter referred to as GE) in Business Data Processing Systems; and whereas M.I.T. by agreement dated October 1, 1970, assented to the assignment by GE to HIS of substantially all of GE's rights and licenses in Subject Patents and Technical Information developed in the course of The Program between GE and M.I.T., all of which underlined terms are as defined in the agreement between M.I.T. and GE dated November 5, 1965, and as subsequently amended, including Amendment A of January 1, 1968 (hereinafter referred to as AMENDMENT A);

Whereas, in the course of The Program between M.I.T. and GE (and now HIS), certain software was developed and continues to be developed by the joint efforts of M.I.T. and GE (and now HIS); and

Whereas M.I.T. and HIS wish to clarify and modify the existing contractual relationship to reflect the change in relationship between the parties which will take effect subsequent to the date established for acceptance by M.I.T. of certain hardware manufactured by HIS according to an agreement between M.I.T. and HIS dated December 17, 1971;

Now, Therefore, the parties covenant and agree as follows:

1. For the purposes of this Agreement the following terms appearing in UPPER CASE in the text or appendices hereof shall have the meanings established in Appendix A, attached hereto and forming a part hereof:

A1	MULTICS
A2	MULTICS SOFTWARE
A3	ORIGINAL MULTICS SOFTWARE
A4	HIS MODIFIED MULTICS SOFTWARE
A5	M.I.T. MODIFIED MULTICS SOFTWARE
A6	CHANGEOVER DATE
A7	AFFILIATE

2. Title to ORIGINAL MULTICS SOFTWARE shall vest in M.I.T., subject to an irrevocable, worldwide, paid-up, non-exclusive license in HIS to reproduce and use ORIGINAL MULTICS SOFTWARE and to lease, sell, or otherwise transfer copies of ORIGINAL MULTICS SOFTWARE where such lease, sale, or transfer is incidental to computer hardware sold, leased, or otherwise supplied by HIS.

3. HIS shall have the right to extend the non-exclusive license in HIS set forth in Paragraph 2 above to AFFILIATES and manufacturing licensees of HIS with respect to computer hardware sold, leased or otherwise supplied by such AFFILIATES or manufacturing licensees.

4. Under the non-exclusive licenses set forth in Paragraphs 2 and 3 above, HIS, its AFFILIATES, and its manufacturing licensees shall have the right to extend to each end user of computer hardware made by HIS, its AFFILIATES, or its manufacturing licensees the non-exclusive right to reproduce ORIGINAL MULTICS SOFTWARE for its own end user purposes.

5. Subject to the non-exclusive licenses set forth in Paragraphs 2, 3 and 4 above and to other outstanding obligations of either M.I.T. or HIS as stated in Paragraph 14, M.I.T. shall have the exclusive right for the four (4) years next-following the CHANGEOVER DATE to license third parties to reproduce and use ORIGINAL MULTICS SOFTWARE throughout the world and to lease, sell, or otherwise transfer to third parties throughout the world copies of ORIGINAL MULTICS SOFTWARE for reasonable consideration. The income and royalties earned by M.I.T. during such four (4) years from such licensing, leasing, selling, or transferring of ORIGINAL MULTICS SOFTWARE shall be equally apportioned between M.I.T. and HIS. Subsequent to the four-year period next-following the CHANGEOVER DATE, each of the parties, M.I.T. and HIS, shall have the worldwide paid-up right to lease, sell, or otherwise transfer copies of ORIGINAL MULTICS SOFTWARE to any third parties or to grant non-exclusive licenses to any third parties to reproduce and use ORIGINAL MULTICS SOFTWARE without incurring any obligation to the other party to report or account or to apportion income or royalties earned.

6. All ORIGINAL MULTICS SOFTWARE shall be marked

with statutory copyright notices jointly in the names of M.I.T. and HIS, and such notices applied to each separately copyrightable element shall have the form specified in Appendix B. M.I.T. shall have the right to register all elements of ORIGINAL MULTICS SOFTWARE so marked with the U.S. Register of Copyrights. The total of the copyright registration fees paid by M.I.T. prior to December 31, 1974, for registering ORIGINAL MULTICS SOFTWARE shall be equally borne by M.I.T. and HIS, provided that such total does not exceed Thirty Thousand Dollars (\$30,000). HIS shall not be obligated to pay more than a total of Fifteen Thousand Dollars (\$15,000) as its share of the fees for registering ORIGINAL MULTICS SOFTWARE and shall not be obligated to make any payment for copyright registration fees paid by M.I.T. after December 31, 1974.

M.I.T. shall make timely semiannual itemized reports to HIS listing all elements of ORIGINAL MULTICS SOFTWARE for which copyright registration has been filed and all elements for which registration has been granted. A statement of HIS' share of registration fees paid by M.I.T. for filing for copyright registration of elements of ORIGINAL MULTICS SOFTWARE during each half calendar year of 1973 and 1974 shall be delivered to HIS no later than sixty (60) days following the end of each such half calendar year and shall be accompanied by the aforementioned semiannual itemized report for the corresponding period.

7. Title to HIS MODIFIED MULTICS SOFTWARE shall vest in HIS, subject to an irrevocable, worldwide, paid-up,

non-exclusive license in M.I.T. to reproduce and use those elements of HIS MODIFIED MULTICS SOFTWARE completed during the four (4) years next-following the CHANGEOVER DATE solely for its own purposes as an end user of computer hardware.

8. Subject to the non-exclusive license set forth in Paragraph 7 above and to other outstanding obligations of M.I.T. as stated in Paragraph 14 with respect to those elements of HIS MODIFIED MULTICS SOFTWARE developed jointly by M.I.T. and HIS, HIS shall have the exclusive worldwide right to license others to reproduce and use HIS MODIFIED MULTICS SOFTWARE and to lease, sell, or otherwise transfer to others copies of HIS MODIFIED MULTICS SOFTWARE. The income and royalties earned by HIS during the four (4) years next-following the CHANGEOVER DATE from such licensing, leasing, selling or transferring of HIS MODIFIED MULTICS SOFTWARE, other than income or royalties earned by HIS from the licensing, leasing, selling or transferring of HIS MODIFIED MULTICS SOFTWARE incidental to computer hardware sold, leased, or otherwise supplied by HIS or licensed for manufacture by HIS, shall be apportioned between M.I.T. and HIS as follows:

<u>Period following CHANGEOVER DATE in which income or royalties are earned</u>	<u>M.I.T.'s Share</u>	<u>HIS' Share</u>
First year	40%	60%
Second year	30%	70%
Third year	20%	80%
Fourth year	10%	90%

9. All HIS MODIFIED MULTICS SOFTWARE shall be marked with statutory copyright notices in the name of HIS alone.

HIS shall have the right, solely at its option, to register any such marked HIS MODIFIED MULTICS SOFTWARE with the U.S. Register of Copyrights; however, all applicable registration fees shall be borne by HIS alone.

10. Title to M.I.T. MODIFIED MULTICS SOFTWARE shall vest in M.I.T.

11. M.I.T. shall have the exclusive worldwide right to license M.I.T. MODIFIED MULTICS SOFTWARE to others or to lease, sell, or otherwise transfer copies of M.I.T. MODIFIED MULTICS SOFTWARE to others. All income and royalties earned by M.I.T. from the licensing, leasing, selling or transferring of M.I.T. MODIFIED MULTICS SOFTWARE shall reside in M.I.T., and HIS shall have no rights in or claims to such income and royalties.

12. All M.I.T. MODIFIED MULTICS SOFTWARE shall be marked with statutory copyright notices in the name of M.I.T. alone. M.I.T. shall have the right, solely at its option, to register any such marked M.I.T. MODIFIED MULTICS SOFTWARE with the U.S. Register of Copyrights; however, all applicable registration fees shall be borne by M.I.T. alone.

13. M.I.T. covenants and agrees that prior to the CHANGEOVER DATE it will not license any of the ORIGINAL MULTICS SOFTWARE to third parties, other than the U.S. Government, without the prior written consent of HIS. This covenant shall in no way prohibit HIS or M.I.T. from using, copying, publishing, reproducing or disclosing to others copies of ORIGINAL MULTICS SOFTWARE.

14. Both M.I.T. and HIS agree that all of the terms of this Agreement are subject to all preexisting obligations of M.I.T. or HIS to third parties and all preexisting

contractual agreements between M.I.T. or HIS and third parties.

15. M.I.T. shall submit to HIS an itemized statement of all income and royalties earned by M.I.T. during each calendar year from the licensing, leasing, selling and transferring of ORIGINAL MULTICS SOFTWARE under the provisions of Paragraph 5 above for the four (4) years next-following the CHANGEOVER DATE no later than sixty (60) days following the end of each calendar year of which all or a part is included in said four years. Simultaneously with the transmittal to HIS of each such statement, M.I.T. shall pay to HIS an amount equal to HIS' portion due under Paragraph 5 for the calendar year for which the statement is made.

16. HIS shall submit to M.I.T. an itemized statement of all income and royalties earned by HIS in which M.I.T. is entitled to share during each calendar year from the licensing, leasing, selling and transferring of HIS MODIFIED MULTICS SOFTWARE under the provisions of Paragraph 8 above for the four (4) years next-following the CHANGEOVER DATE no later than sixty (60) days following the end of each calendar year of which all or a part is included in said four years. Simultaneously with the transmittal to M.I.T. of each such statement, HIS shall pay to M.I.T. an amount equal to M.I.T.'s portion due under Paragraph 8 for the calendar year for which the statement is made.

17. M.I.T. and HIS shall each maintain true and complete books and accounts containing an accurate record of all data necessary for the proper computation of the amounts due to the other under this Agreement, and each shall have the

right, at all reasonable times, to have an independent certified public accountant retained by it at its expense inspect such books and accounts of the other to the extent necessary to verify the accuracy of the statements rendered by M.I.T. pursuant to Paragraphs 6 and 15 above and by HIS pursuant to Paragraph 16 above.

18. This Agreement supersedes all prior agreements between the parties insofar as the rights of the parties with respect to MULTICS SOFTWARE defined in such prior agreements are inconsistent with the rights defined in this Agreement; provided, however, that this Agreement is not intended to modify either expressly or by implication the disposition of patent rights in MULTICS SOFTWARE defined in prior agreements between the parties.

19. HIS shall have the right to assign this Agreement to Honeywell, Inc., a corporation organized under the laws of Delaware, provided Honeywell, Inc., agrees to assume and be bound by all of the obligations of HIS under this Agreement.

20. All reports, statements, notices and other communications that are required pursuant to this Agreement shall be addressed as follows:

If directed to M.I.T.:

Mr. Paul V. Cusick
Vice President for Business and Fiscal Relations
Massachusetts Institute of Technology
77 Massachusetts Avenue
Cambridge, MA 02139

If directed to HIS:

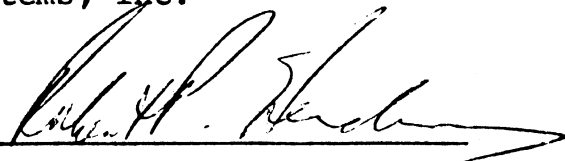
Mr. Robert P. Henderson
Vice President and General Manager North American
Operations
Honeywell Information Systems, Inc.
200 Smith Street
Waltham, MA 02154

21. This Agreement is deemed to be made under and shall be construed according to the laws of the Commonwealth of Massachusetts.

In witness whereof the parties have affixed their hands and seals the date above written.

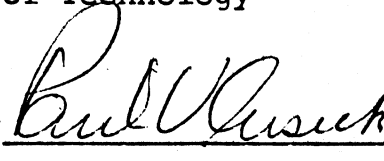
Honeywell Information
Systems, Inc.

By



Massachusetts Institute
of Technology

By



A.S.

PAUL V. CUSICK
Vice President for Business
and Fiscal Relations



APPENDIX A

DEFINITIONS

A1. MULTICS means the service defined as MULTICS in AMENDMENT A.

A2. MULTICS SOFTWARE means the software defined as MULTICS SOFTWARE in AMENDMENT A.

A3. ORIGINAL MULTICS SOFTWARE means all MULTICS SOFTWARE developed prior to the CHANGEOVER DATE by employees, agents or contractors of M.I.T., HIS or GE, engaged to perform research, development or application work in the course of participating in a cooperative effort between M.I.T. and HIS or GE (the predecessor of HIS in such cooperative effort) directed to the development of both software and hardware particularly useful in MULTICS; provided, however, ORIGINAL MULTICS SOFTWARE does not mean or include software developed by employees, agents or contractors of M.I.T., HIS or GE while engaged in activities not directed specifically to the support of such cooperative effort.

A4. HIS MODIFIED MULTICS SOFTWARE means any element of software which (i) incorporates modifications, improvements, revisions, and/or changes to any element or elements of ORIGINAL MULTICS SOFTWARE, (ii) is developed solely by HIS or jointly by M.I.T. and HIS subsequent to the CHANGEOVER DATE, and (iii) satisfies the requirements for originality so as to be separately copyrightable from such element or elements of ORIGINAL MULTICS SOFTWARE.

A5. M.I.T. MODIFIED MULTICS SOFTWARE means any

element of software which (i) incorporates modifications, improvements, revisions, and/or changes to any element or elements of ORIGINAL MULTICS SOFTWARE, (ii) is developed solely by M.I.T. subsequent to the CHANGEOVER DATE, and (iii) satisfies the requirements for originality so as to be separately copyrightable from such element or elements of ORIGINAL MULTICS SOFTWARE.

A6. CHANGEOVER DATE means the date on which the 645 Follow-On System specified to be delivered under Agreement No. 714-C5 between M.I.T. and HIS, dated December 17, 1971, is turned over to M.I.T. pursuant to Section III, Paragraph B.1, of such Agreement No. 714-C5; provided, however, that if such release does not occur prior to December 31, 1973, the CHANGEOVER DATE shall mean December 31, 1973.

A7. AFFILIATE means a business organization of which HIS controls or has the right to control, directly or indirectly, fifty percent (50%) or more (forty percent (40%) in the countries of France and Japan) of the weight of the expressions of choice qualifying for consideration in the designation of the composition of the governing body such as, for example, the Board of Directors.

APPENDIX B

COPYRIGHT NOTICE

The statutory copyright notice which shall be applied to each separately copyrightable element of ORIGINAL MULTICS SOFTWARE, pursuant to Paragraph 6 of this Agreement, shall have one of the following forms:

For machine readable format--

Copyright (c) 1972 by Massachusetts Institute of Technology and Honeywell Information Systems, Inc.

For Text and all other versions--

Copyright © 1972 by Massachusetts Institute of Technology and Honeywell Information Systems, Inc.