

TEAMING AGREEMENT

between the

Center for Space Research (CSR)

of the

Massachusetts Institute of Technology (MIT)

and the

Planetary Coral Reef Foundation (PCRF)

THIS AGREEMENT is entered into this 12th day of October, 2001, by and between the Center for Space Research of the Massachusetts Institute of Technology (hereinafter referred to as "CSR"), 70 Vassar St., Cambridge, MA and The Planetary Coral Reef Foundation (a Division of the Biosphere Foundation hereinafter referred to as "PCRF"), 9 Silver Hills Rd, Santa Fe, NM, collectively referred to as "the parties."

RECITALS

1. WHEREAS, CSR has experience and unique capabilities to perform contract work in the areas of space missions, space-borne science instrumentation and observations, science instrumentation and spacecraft mission operation, science data reduction/processing, data analysis techniques and scientific interpretation; and

2. WHEREAS, CSR intends to assist the PCRF in generating a proposal to raise funds for the development, fabrication, launch and operation of a satellite to monitor the health of the world's coral reefs; and

3. WHEREAS, the PCRF and the members of its Board and Advisors have experience in the earth-based observation of coral ecosystems and the raising of the necessary funds: and

4. WHEREAS, the parties, having expended significant technical effort, desire to combine their respective unique capabilities and seek to implement the desired satellite project; and

5. WHEREAS, a teaming arrangement will provide benefit for the project by allowing each party to complement the unique capabilities of the other.

NOW, THEREFORE, the parties, in consideration of mutual promises, agree as follows:

1. PCRF, as mission sponsor, and CSR, the Contractor, agree to collaborate on generating a proposal to solicit funds for the project. PCRF also agrees to add Prof. Edward Boyle to the project Science Team.

2. CSR will generate a "Concept Study Report" which will provide the bulk of the proposal. PCRF will coordinate its team to prepare the executive summary and science investigation components. The actual list of tasks required to perform the mission, and the

corresponding Statement of Work to be performed by CSR on the project will be developed during the course of this Agreement and will be specified in a CSR Proposal to PCRF. CSR will deliver the Concept Study Report and this Statement of Work Proposal within one year of signing this document.

3. (a) After CSR has delivered the Concept Study Report and Statement of Work Proposal and if PCRF is successful in obtaining sufficient funds for the project, PCRF will offer a contract to CSR to oversee the payload, spacecraft, launch and ground station of the PCRF coral reef space-based mission.

(b) Any contract shall be subject to the mutual agreement of PCRF and CSR/MIT relative to terms and conditions, including price and delivery schedule.

(c) CSR agrees to submit to PCRF, in support of its contractor proposal, cost and pricing data as may be required by PCRF or by law or regulation in sufficient detail to allow PCRF to negotiate this second contract with CSR. In the event PCRF changes any portion of this proposal prepared by CSR, such changes must be submitted to CSR for review and approval prior to incorporating the changes in the proposal.

4. PCRF will have primary responsibility for the conduct of marketing activities related to the proposal and CSR agrees to provide reasonable complementary marketing support. Neither party will use the name of the other in any advertising or other form of publicity without the written permission of the other. In the case of CSR/MIT, this permission is granted by the Director of the MIT News Office.

5. PCRF agrees to reimburse CSR for work related travel expenses necessary to carry out his tasks of generating the proposal. All costs must be pre-approved by PCRF.

6. In the event Bob Goeke is unable to carry out his tasks or unable to oversee this proposal, PCRF will have the option to re-negotiate this agreement.

7. Nothing in this agreement shall be deemed to restrict CSR from offering or selling to any other party any items or services that it may regularly offer for sale, even though such items or services may be included in the proposal contemplated by this Agreement.

8. (a) CSR represents that, to the best of its knowledge, information and belief, any Deliverable or the Work or the use thereof, or the performance by it pursuant to this Agreement, shall not infringe or misappropriate any patent, copyright, trade secret or other intellectual property rights of any third party.

(b) CSR will not knowingly provide PCRF with any deliverable or Intellectual property that infringes third party patents or copyrights and shall promptly advise PCRF in the event that CSR learns that a deliverable or research invention already provided to PCRF under this Agreement is or might be encumbered by third party patents or copyrights or might infringe the proprietary interests of any third party.

9. (a) Except for infringement of any United States or foreign patent, copyright, or other proprietary interest of any third party, CSR shall, to the extent of its liabilities under the laws of the Commonwealth of Massachusetts, indemnify, defend and save harmless PCRF from any and all loss, damage, claims, actions and suits, including all costs, expenses and attorney fees incurred by CSR on behalf of PCRF in connection therewith, arising out of CSR's negligence or other legal wrongdoing in any way connected with activities under this research program. PCRF agrees to give CSR immediate notice of any claim, action or suit in any way connected with activities under this program and to cooperate in the defense thereof. However, CSR expressly retains its rights to recovery from PCRF in the event of adjudication by a court of competent jurisdiction that

(1) CSR and PCRF are jointly liable for loss or damage to a third party;

(2) The judgment against PCRF is based upon other than vicarious liability on the part of CSR.

(b) MIT agrees to maintain its normal insurance coverage during the course of this Agreement.

10. Title to and the right to determine the disposition of any copyrights or copyrightable material first produced or composed in the performance of this Agreement shall remain with the organization which generated the material.

11. Except as may be required by Federal, State, or local laws and regulations or courts of competent jurisdiction, or as required to meet credit and financing arrangements or as required or appropriate in the reasonable judgment of either party to satisfy the disclosure requirements of any Federal or State securities laws or regulations, no publicity or advertising shall be released by either party, in connection with this Agreement or the proposal generated, without the prior written approval of the other. In the event of any contract award of the type contemplated by this Agreement, neither party shall make any releases for publication in media intended for public circulation without the other party's prior approval. Such approval shall not be unreasonably withheld. Nothing in this paragraph shall limit PCRF's right to use the concept study report or its contents, together with biographical information concerning the PCRF and CSR teams, in connection with grant proposals or other fund raising activities.

12. Each party shall act as an independent contractor, and this Agreement shall not constitute, create, give effect to, or otherwise recognize a joint venture, pooling arrangement, partnership, or formal business organization of any kind. No relationship, other than that created by and set forth in this Agreement, shall be intended or established by any reference to the parties operating as a "Team" or "Team Members".

13. This Agreement and all rights and duties hereunder, except those in Paragraphs 8, 10, and 11, shall terminate upon the earliest event of any of the following:

(a) Award of a contract to CSR by PCRF to execute the project;

(b) Inability of the PCRF to raise sufficient funds to proceed with the satellite project by two years from the delivery of the concept study report;

(c) Mutual agreement in writing by the parties hereto;

(e) Expiration of a period of twenty four (24) months from the effective date of this Agreement;

(f) If the parties fail to agree upon contract terms and conditions after negotiating in good faith for a reasonable time, this Agreement shall be subject to termination by either party giving the other party five (5) days written notice of its intention to terminate.

14. This Agreement contains and merges the entire and complete Agreement of the parties and supersedes any previous understanding, commitment, or agreement, oral and written.

15. This Agreement may be modified from time to time only by the mutual written consent of the parties. All modifications must be in writing and appended to this document.

16. Neither party may assign or transfer its interest without the prior written consent of the other.

17. This Agreement and the interpretation shall be governed by the laws of the Commonwealth of Massachusetts and U.S. Federal laws.

IN WITNESS, the parties hereto have caused this Agreement to be executed effective as of the day and year above provided.

CENTER FOR SPACE RESEARCH

PLANETARY CORAL REEF FOUNDATION

By:
Title:
Date:

By:
Title:
Date: