EXHIBIT 3



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1705 EL CAMINO REAL • PALO ALTO, CA 94306 (650) 723-0651 • FAX (650) 725-7295

March 12, 2004

George C. Jen, Ph.D.
Patent Counsel
Roche Molecular Systems
1145 Atlantic Avenue
Alameda, CA 94501

Re: HIV PCR Direct Drug Use" US Pat. No. 6,503,705 B2 (Stanford Docket S98-058)

Dear Dr. Jen:

In follow up to our discussion, I've prepared a terms sheet for your review and attach it herewith. To the extent the Materials Transfer Agreement ("MTA") between Cetus Corporation and Stanford dated December 19, 1988, is applicable, Stanford is pleased to offer Roche an exclusive license to the above captioned patent. Please let me know if you have any questions about the terms.

During our discussion, you raised the point about Stanford receiving certain primers from Cetus under the MTA around the time the invention was conceived at Stanford. That doesn't impact on inventorship here, and the very MTA contemplated that inventions would be conceived at Stanford using such materials. If you have any specific information to the contrary, we would be happy to discuss this with you further should you wish; otherwise, we consider the issue of inventorship closed

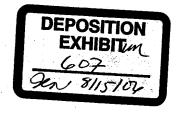
We look forward to working with you in finalizing a license. To that end, please let me know by March 22, 2004, if the terms are acceptable.

Sincerely,

Luis R. Mejia Senior Associate

Enclosures

- 1) Terms Sheet
- 2) 6,503,705 B2 Patent with Certificate of Correction



STAN 003873

LICENSE TERMS SHEET

Directed to POLYERMERASE CHAIN REACTION ASSAYS FOR MONITORING ANTIVIRAL THERAPY AND MAKING THERAPEUTIC DECISIONS IN THE TREATMENT OF ACQUIRED IMMUNODEFICIENCY SYNDROME (Stanford Docket S98-058)

The offer of terms contained herein is valid until March 22, 2004 and is subject to change without notice thereafter. The license agreement contains other terms and conditions normally found in Stanford licenses. A copy of Stanford's standard Agreement is available upon request. No license or other rights are implied by this document.

I.) Definitions

Case 3:05-cv-04158-MHP

- 1. "Licensed Patent" means U.S. Patent No. 6,503,705 B2, any foreign patents corresponding thereto, and/or any divisions, continuations, or reissue thereof.
- 2. "Licensed Field of Use" means diagnostics for measuring HIV viral load and specifically excludes incorporation or use as part of an array of known-sequence oligonucleotide probes, such as DNA, RNA and variants thereof, on a single support, such as a chip, as disclosed in U.S. Patent No. 5,445,934
- 3. "Licensed Territory" means the world.

II. License Terms

Grant of License Term of Exclusivity License issue Fee Earned Royalty Minimum Annual Royalty Patent Reimbursement Assignment

Exclusive in the Licensed Field of Use 7 Years \$200,000 (50% creditable if signed by April 10, 2004) 4% on Net Sales of Licensed Products \$50,000 (100% creditable) Included in Upfront License may be assigned upon payment of Assignment fee of \$100,000