

Sears Policy Statement Concerning Submitting Ideas or Inventions

Each and every year Sears Holdings and its affiliates and subsidiaries (“Sears”) receive a significant number of communications containing ideas and suggestions for Sears use. These ideas and suggestions relate to new inventions, new products, product names, advertising campaigns, marketing strategies as well as other matters relating to Sears business. As a company founded on providing innovative new products to its customers, Sears greatly appreciates the interest these submitters have in Sears and its business. However, Sears has access to many ideas through its experience, research activities, employees and other sources. It is, therefore, quite possible that any idea submitted may already be known or available to Sears. As a result, Sears finds it necessary to set forth a uniform policy concerning submitted ideas.

Sears wants those individuals submitting an idea to protect his/her interests before disclosing an idea to Sears. At the same time, Sears must also protect its interests. The sole purpose of this policy is to avoid potential misunderstandings or disputes and provide reasonable protection to Sears when Sears products, product names, advertising campaigns, or marketing strategies might appear similar to ideas or suggestions submitted to Sears. For this reason, Sears will not consider any idea submitted to it unless it is submitted subject to Sears Terms of Submission Agreement.

Many ideas and suggestions are submitted to Sears without any thought of compensation. In some situations, the persons making the submission believe that they have something of value for which they should be paid. It is only reasonable that compensation will not and should not be given for the use of old or previously available ideas should Sears at any time elect to practice them, whether or not Sears had previously given specific consideration to such idea. Furthermore, advertising, business, and other unpatentable ideas rarely can be of more than nominal value to Sears because they cannot be protected under the patent and trademark laws, and rarely to any appreciable extent under the copyright laws. Consequently, as soon as Sears puts such an idea into practice, competitors may copy it freely. As such, Sears will compensate submitters in very limited situations as set forth in the Sears Terms of Submission Agreement.