

Terms of Submission Agreement

This Terms of Submission Agreement (“Agreement”) is entered into as of _____, 201__ by and between Sears Brands Management Corporation (“Sears”), and _____ (“Submitter”).

Whereas Submitter wishes to submit an idea, invention or other materials to Sears.

Whereas Sears will not consider any submission unless it is submitted subject to the terms of this Agreement, and Sears may compensate submitters in very limited situations as set forth in this Agreement.

Now, Therefore, in consideration of the covenants set forth herein, and for other good and valuable consideration, the parties agree:

1. The Submitter agrees that: (a) the Submitter’s ideas are submitted gratuitously and without expectation of compensation and will automatically become the property of Sears without any compensation to Submitter; and (b) Sears can use the ideas for any purpose and in any way and may provide the ideas to third parties without any obligation or compensation to Submitter whatsoever.

2. Sears does not wish to receive or hold any submitted materials in confidence. No confidential relationship is to be established between the Submitter and Sears by any submission or is such a relationship to be implied from consideration of the submitted material, and the material is not to be considered to be submitted “in confidence.”

3. Sears makes no commitment that the idea or material submitted shall be kept a secret and it may be necessary to refer a submission to a number of persons at Sears or at third parties, such as vendors and manufacturers, who have business dealings with Sears.

4. By considering a submitted idea, Sears does not obligate itself to pay any compensation whatsoever for its use of unpatentable ideas. However, the Submitter by this Agreement does not grant any rights to Sears under any existing or future patents. However, except for claims of patent infringement, Sears shall have the unrestricted right to use and disclose any submitted ideas and materials.

5. Concerning the idea that, though presently unpatented, appear to be validly patentable, Sears may, if interested, pay Submitter a one-time payment of \$5,000 dollars (US) for the assignment of the idea, invention or submission. Additionally, if Sears then markets and sells a product that incorporates the patented idea, invention or submission (“Product”), Sears may pay Submitter a one percent (1%) royalty of the Net Sales of the Product during the Royalty Term. “Net Sales” shall mean gross sales minus returns, discounts and allowances. “Royalty Term” shall mean three (3) years from the first sale of the Product.

6. The reception and consideration by Sears of any submitted disclosure of a patentable idea shall not in any way impair Sears’ right to contest the validity, infringement or enforceability of any patent that may have been or may thereafter be obtained on said idea. The Submitter’s sole remedy if he believes Sears to be utilizing, in any way, the submitted material or idea, shall be the enforcement by Submitter under the patent laws of the United States or foreign countries.

7. Sears will give each submitted idea only such consideration as in the judgment of Sears it merits. Sears cannot undertake to give any item special handling or to refer it to specified individuals.

8. All ideas or suggestions must be submitted to Sears in writing. Sears shall be under no obligation to return any material submitted although it may do so. Submitter should therefore keep the originals or duplicate copy for his/her own records.

9. Entering into the negotiations for the purchase of any ideas submitted, or the making of any offer for their purchase, shall not in any way prejudice Sears, nor shall it be deemed an admission of the novelty or patentability of the ideas, or of priority or originality on the part of the Submitter or of any other person.

10. The Submitter represents that no other party, including a previous or present employer has any rights with respect to the submitted ideas or suggestions. If the idea is owned jointly, all parties claiming ownership must execute and accept the Terms of Submission, or alternately the party agreeing to the Terms of Submission represents that he/she is the sole owner or is acting on behalf of all owners.

11. Any prior negotiations or agreements are merged into and superseded by these terms and may not be modified except in writing, signed by an officer of Sears.

12. This Agreement and the relationship established hereunder shall be interpreted and construed in accordance with the internal laws of the State of Illinois without regard to its conflicts or law principles.

Sears Brands Management Corporation

(Submitter's Name Printed)

By: _____

By: _____
(Signature)

(Address)

(City, State, Zip Code)

Description of Submission: _____
