

**EMPLOYEE PATENT, RESEARCH, AND
PROPRIETARY RIGHTS AGREEMENT**

I understand that my duties as an employee of Michigan Technological University may include some form of research and access to proprietary data. I agree that the facilities, equipment, funds, and/or stimulation provided to me may greatly contribute to my research efforts, and to the conception and/or reduction to practice of discoveries, development, inventions, apparatus, or software and/or the creation of related documentation, data, and reports (hereinafter proprietary information).

A. In consideration of my employment with and the salary paid to me by the University; and

In order to settle in advance any questions regarding the ownership of any patent or copyright which may be developed by me;

I agree that the University shall own any proprietary information that is reduced to practice or conceived by me, either solely or jointly with others, during my course of employment, and/or through the use of the facilities and/or equipment of the University, whether made during my usual working hours or otherwise, and the University also shall own any patents or copyrights relating to such proprietary information.

I further agree:

1. I will promptly and fully disclose such Proprietary Information to the University's Research office.
2. The University may 1) determine in its sole discretion, that the ownership of the proprietary information will not be retained by the University and it will notify me of the relinquishment of its rights to me, 2) notify me that the proprietary information will be accepted on a provisional basis, 3) accept the proprietary information.
3. I will cooperate with the University in making application for U.S. and foreign patents or copyrights at the request of and at the expense of the University should it determine, in its sole discretion, that an application is warranted. I will do all acts required to assist the University in obtaining, maintaining and enforcing patents and copyrights or other proprietary interests in programs and software systems and in otherwise protecting proprietary information in any and all countries, all to be done without further compensation to me other than reimbursement for direct expenses in providing such assistance.

4. Upon request of the University, I will assign to its Board of Control all proprietary information and/or applications for patents and/or patents or copyrights issued on such proprietary information based on my disclosure, with full rights, powers and privileges of ownership.

5. The Board of Control of the University may assign the ownership of the proprietary information and/or applications, patents, or copyrights on such proprietary information back to me should it determine, in its sole discretion, that further expense for development is unwarranted.

6. If Proprietary Information or patents or copyrights relating thereto, are sold or licensed by the University, the University shall share royalties and/or other income received as follows:

- a. initial \$1,000 to me.
- b. income from \$1,000 to \$30,000 divided 15% to me and 85% to the University.
- c. income from \$30,000 to \$180,000 divided equally among the University, my department and myself,
- d. income in excess of \$180,000 divided 1/3 to me and 2/3 to the University.

Payments will be made to me within 60 days of the end of the calendar year. If the proprietary information is the product of collaboration with others entitled to participate in the royalties, who have also entered into agreements with the University, payment will be made in proportionate shares as we (I and the others collaborating with me) may agree upon, the aggregate to all persons not to exceed the amount of percentage set forth in this agreement. If the University has not been advised of the amount of proportionate shares at the time a distribution is to be made, the University may make such distribution as it, in its sole discretion, determines.

7. Progression to the sharing ranges of paragraph 6 above shall occur on the basis of cumulative income received by the University over the life of any agreement.

8. In some instances, the University may incur extraordinary expenses, for example either in further developing a concept in order that it be reduced to practice, or in enhancing the marketability for licensing by establishing a pilot plant project, or in enforcing its patents or other proprietary rights against infringers or others who have misappropriated same or in defending same from attack by

others. In those extraordinary instances, before sharing any of the aforesaid income with me, the University will reimburse itself for actual out-of-pocket expenses incurred (for example, costs of land site, buildings, equipment, and labor in connection with a pilot plant project or legal fees and other expenses related to litigation). These extraordinary expenses will be credited against any income received by the University and generally expenses incurred in a given calendar year will be credited against income received in that calendar year; however, if income does not cover all expenses in any given year, any remaining balance will be carried forward to succeeding years until credited in full but not back to prior years.

Witnesses:

signature

Witness:

signature

B. In the event that I am engaged in sponsored research or other projects under a contract between the University and an outside agency during my enrollment with the University, I also agree that:

1. The terms of the contract shall control as to any conflict with this agreement.
2. I will be bound by such contract as to any obligation which extends beyond the term of this agreement and I will execute any and all documents which the University deems necessary, in its sole discretion.
3. Any change in the terms of this agreement or obligations imposed by this paragraph B shall be effective for the term of the commitment governing the sponsored project.

C. From time to time, I may undertake to perform consulting services for third parties but will do so only if such consulting services do not either conflict with University administrative policies or present a conflict of interest. In the event I do undertake to perform such consulting, I agree that:

1. The University will be advised if such consulting services will involve the use of University equipment. Such equipment shall only be used with prior approval from the University and upon payment of a charge should the University, in its sole discretion, determine that such a charge should be imposed in return for the use of such equipment, and for the University relinquishing the claim it would have on the results of consulting services because of the use of its equipment.
2. If the consulting arrangement is to include the assignment of inventions and/or patents to the consultee, the University will be so advised before I complete the consulting

arrangement and the consultee shall be advised of this agreement and the University's background patent and/or other proprietary rights positions in the area of the consultation. Any consulting agreement shall provide that the consultee does not receive a license under the University's background patents and/or other proprietary rights unless the University and consultee enter into a separate agreement concerning same.

D. I understand that paragraph B and C in no way diminishes my obligation to fully and promptly disclose to the University any discovery or invention I make in the course of my association with the University regardless of the source of funds for financial support.

E. I will not directly or indirectly during or after the term of my employment, 1) give to any person, not authorized in writing by the University to receive it, any information classified for purposes of internal University security or specifically designated by the University as "limited," "private," or "confidential;" or 2) give to any person not authorized in writing by the University to receive it, any of the University's proprietary data or information

relating to products, programs, software, systems, inventions, ideas, processes, research, and the like and including, without limitation, drawings, programs, software, system sketches, layouts, formulae, specifications, reports, and other written manufacturing, technical, or scientific information.

I have read and understood this agreement in its entirety (both sides of this document).

Employee's Signature

Date

Employee's Name Printed or Typed

Department

Accepted by: (Employee Relations)
Michigan Technological University