



IP3 2018 – Program Information

Timing of Events:

May 22, 2018	Industry Patent Purchase Program 2018 is Announced
July 9 – July 20	Submission Window is Open
July 9 – September 27	Submission Review Period
By October 2	Parties notified either of our intent to move on to the next stage (e.g., some further diligence) or our intent to pass on the opportunity.
By October 12	Parties that are notified of IP3’s <i>tentative</i> intent to purchase must supply further information to IP3 regarding encumbrances, litigation, etc. and provide a signed agreement, banking information, and relevant tax-related information.
By December 31	IP3 will further review the additional materials provided. Assuming IP3 remains interested in completing the transaction upon review of the above material, IP3 will return a fully executed agreement within about 10 days of receipt (and no later than December 31, 2018), and payment will occur within 30 business days thereafter.

IP3 2018 (Industry Patent Purchase Program) is a fixed price, fixed term, collaborative patent purchase program launched by AST, the leading provider of proactive patent defense solutions. From July 9 through July 20, 2018, patent owners can offer patents for sale on an exclusive basis and at a price they set. These submissions will be offered to all AST Members – dozens of the world’s most successful companies across multiple industries, such as information technology, software, semiconductors, communications, automotive, health tech, and social media – including Cisco, Ford, Google, Honda, IBM, Microsoft, Oracle, Philips, SAP, Sony, Uber, Verizon; as well as non-member operating companies who have joined this program (each a “Participant”).

With this program, AST is trying to simplify the purchasing process, but it is still a process that requires formal agreements that have real implications between you and IP3. Just by submitting a patent for consideration, you are agreeing to certain things (such as agreeing to sell your patent(s) and family members to IP3 at the price you indicate in your submission if IP3 chooses to transact with you).



Before moving forward with a submission, we strongly encourage you to review this process, the Patent Offer Submission Terms and Conditions and the Patent Assignment Agreement with an attorney.

1. Patent holders looking to submit their patents for consideration may submit one or multiple patent families per submission at a fixed price. Each patent family must have at least one active granted patent in the US, China, Europe, France, Germany, United Kingdom, Japan, Taiwan, or the Republic of Korea (main patent) with all the maintenance fees up-to-date. We will not consider expired or design patents as the main patent.
2. A preference will be made for single patent family submissions or related families. Unrelated families may be submitted separately.
3. Patent owners can submit their patents in many different technology areas; however, there are 8 specific technology areas of focused interest in IP3 2018:
 - a. Artificial Intelligence / Machine Learning
 - b. Augmented Reality / Virtual Reality
 - c. Automotive / Transportation Services
 - d. Blockchain
 - e. Internet of Things / Connected Devices
 - f. Smart Home
 - g. Software / Web Services
 - h. Wireless

The submissions to IP3 2018 are also open to other technology areas of general interest to AST. The complete list of technologies can be found at: <http://www.ast.com/list-of-the-technology-categories-in-which-ast-has-interest/>

4. You will agree that the entire patent family(ies) of the main patent(s) listed in the submission is/are available for sale, at the fixed price indicated in the submission. Under this program, we consider a patent family to be all assets (active or expired/abandoned) that are linked directly or indirectly to a priority filing (extended or "INPADOC" patent family) which includes priorities, continuations, continuation in parts, divisionals and foreign counterparts.



5. If the patents listed in the submission are subject to a terminal disclaimer or have patents terminally disclaimed from it, then all patents linked by a terminal disclaimer including any patents and patents terminally disclaimed therefrom must also be included as part of the patent family. **Because of the ramifications of splitting the ownership of terminally disclaimed patents, if you do submit a patent asset that is terminally disclaimed, we consider that an offer to sell us that patent as well as all other assets relevant to the terminal disclaimer at the amount you indicate in your submission. No additional consideration will be provided by IP3.**
6. As part of the submission process, you will need to agree to certain terms and conditions for IP3 to evaluate your patent for potential purchase. The Patent Offer Submission Terms and Conditions document is available for download at ast.com/ip3.
7. Once the Patent Offer Submission Terms and Conditions have been accepted, you will complete the Submission form. We will need the following information in your submission:
 - a. **Submitter's Name:** This is the name of the contact person. This should either be the owner of the patent(s) (if owned by an individual) or someone with the authority to sell the patent(s) (authorized representative if owned by a company/entity or broker/intermediary who represents the patent owner).
 - b. **Patent Owner's Name:** Name of the company/entity or individual(s) who is the current owner/assignee of the patent.
 - c. **Address:** If the patent(s) owner is a company, the company address; otherwise your personal address. We will also require the address of the patent broker if the submission is made by a broker/intermediary.
 - d. **Submitter's Email Address and Phone Number:** This is the email address and phone number of the contact person. It is very important because this is the ONLY way we are going to communicate with you. If you input the wrong information, we will have no way to get in contact with you in the event we wish to transact with you.
 - e. **Unique Name for Your Offering:** This is your reference name or number.
 - f. **Fixed Price:** The price (in US Dollars) that you are willing to sell your patent families (one or more) included in your submission to IP3. This represents a firm offer to sell good through at least October 2, 2018.
 - g. **Selection of the Technology Category.**
 - h. **Patent List:** First, input the main patent number which must be an active granted patent in the US, China, Europe, France, Germany, United Kingdom, Japan, Taiwan, or the Republic of Korea; the patent title. Then input ALL the patent family members of the main patent: country, asset number (patent, published application or application number), status (active, expired, lapsed or abandoned). If you wish to include more than one patent family in the submission, add another main patent, its family members and repeat the same process.



- i. **Summary/Comments:** Brief summary or description, comments or other relevant information that you wish to include in your submission.
 - j. **Supporting Documents:** Offering memorandums, executive summaries, patent family tree, technical analysis, claim charts, white papers, presentations or marketing materials that you wish to include in your submission.
8. With respect to any submission, you must have the full authority to sell the asset(s), either as the owner or as someone fully empowered by the owner with the authority to sell the asset(s). While we reserve the right to refuse to transact for any reason, we obviously will not be willing to transact absent satisfactory confirmation on this point.
9. Once you submit a patent(s) through our form, you are obligated to transact with us at the amount you have indicated in your submission so long as we contact you via the email you provided to us by October 2, 2018. During the Submission Review Period, you may not market or sell your submitted patent(s) to any other party or enter into any further encumbrances relating to your submission. If AST's IP3 Team contacts you during the Submission Review Period with a tentative indication that it wishes to purchase your patent(s), you further agree not to market or sell your submitted patent(s) or further encumber your submitted patent(s) until IP3 accepts your offer or notifies you of an intent not to transact (*i.e.*, by October 2, 2018).
10. In other words, your offer to sell at the price indicated in your submission is binding until:
(i) October 2, 2018 or earlier, if IP3 rejects your offer, or (ii) until the deal closes, if notified of an interest to accept your offer pending certain further due diligence.
11. Submissions of patents to IP3 through this process do not serve as notice to IP3 or its Participators or provide knowledge to IP3 or its Participators of such patents for any purpose (including, *e.g.*, assertions of willful or indirect infringement). Any party submitting through this process agrees to waive any such argument with respect to such patents.
12. We will take reasonable steps to keep all submissions confidential. Obviously, if we are able to transact with you, we may record the change of ownership with relevant Patent Offices in the world in the ordinary course of business. Also, please note that we may discuss publicly generalized information about IP3 (*e.g.*, number of total submissions, breakdowns by technology area, etc.). The specific provisions regarding confidentiality are located in Section 3 of the Patent Offer Submission Terms and Conditions document.
13. IP3 is under no obligation to transact, and the decision to transact on a submitted patent is at IP3's sole discretion.



14. Submissions will be accepted from July 9 through July 20, 2018. During this time period, you may access the submission site at ast.com/ip3. The submissions will be reviewed as received and all submitters will be notified by October 2, 2018 of IP3's tentative decision regarding their submissions.
15. If we *tentatively* select your patent(s) for purchase, we will reach out to you with additional next steps. As part of those next steps, you must provide the following information by October 12, 2018:
 - a. Relevant tax-related information. U.S. companies and individuals with a U.S. Social Security Number will be required to supply a [W-9](#), foreign companies are required to provide a [W-8BEN-E](#), and foreign individuals who do not have a U.S. social security number will need to supply a [W-8BEN](#). **If you are unable to supply one of the above, you should not participate in this process.**
 - b. Banking information sufficient to allow us to transfer the agreed-upon amount via ACH or wire transfer.
 - c. A signed Patent Assignment Agreement, available for reference and download at ast.com/ip3, with IP3. Other than filling in the required information, no modifications, additions, or deletions to this form agreement will be permitted.
 - d. The Patent Assignment Agreement includes Exhibit C where you are required to list all known encumbrances relating to the patent. If there are no known encumbrances, please mark as "None". You will also need to provide us with a list of any enforcement activities relating to the patent (e.g., any active enforcement proceedings). And, you will also need to provide us a list of currently active disputes involving your patent (e.g., any ownership disputes, etc.).
16. As alluded to the above, even if IP3 notifies you of a desire to purchase your patent(s), you are still required to provide us with the additional information and IP3 reserves the right to not transact with you for any reason (or for NO reason whatsoever) up to the point where we return a fully executed copy of the Patent Assignment Agreement to you.
17. If all the above is in order and assuming IP3 is comfortable with the follow-up material you have provided and accepts your submission, we will fill-in/complete the agreement details (current assignee/banking/patent asset information), email to you for signature, and return a pdf countersigned Patent Assignment Agreement to you by December 31, 2018. Barring any hiccups, IP3 will make payments within 30 business days thereafter.

If you have any further questions, please contact us at IP3@ast.com.



Please note, however, that under no circumstances can we provide you with any legal advice (and, as we stressed above, **please consult with a lawyer before proceeding!**). Please be patient with us if there is any delay in responding, as we do not know how many submissions we will receive.

As indicated above, in order to simplify this process and to accommodate the number of transactions we hope to enter into, we are not in a position to negotiate terms. If you choose to submit a patent through this process, you are agreeing that, if IP3 chooses to transact with you, you are selling us your patent(s) at the price you indicated in your submission and that you are accepting the terms and conditions.

Finally, we note that patent sellers who are interested in discussing patents with AST but who, for whatever reason, are not interested in participating in IP3 can always make submissions to AST's standard program at <http://ast.com/interested-in-selling-to-ast/>.