



AGREEMENT FOR RELEASE OF INNOVATION RIGHTS & ASSIGNMENT OF RIGHTS TO ROYALTIES

WHEREAS, _____ (referred to herein as “Faculty Innovator”) has conceived and disclosed to Auburn University intellectual property disclosure #XXXX-XXX entitled “_____”, (referred to herein as “Innovation”), the substance and entirety of which is attached hereto as “Exhibit A”; and

WHEREAS, the said Innovation was conceived and/or first reduced to practice under the auspices of Auburn University, a State of Alabama non-profit, tax-exempt, educational institution located in Auburn, Alabama (referred to herein as “AU”); and

WHEREAS, rights of the Faculty Innovator and AU in the Innovation are governed by the terms of the Auburn University Patent Policy, as approved by the Auburn University Board of Trustees in June of 2012; and

WHEREAS, AU has incurred expenses in the filing of _____ Application(s) drawn to the Innovation (referred to herein as “Patent Expenses”); and

WHEREAS, pursuant to the Auburn University Patent Policy, AU has determined that it does not wish to participate in the sale or licensing of the Innovation, and that it is willing to release to the Faculty Innovator AU's interest therein, subject to Faculty Innovator's agreement to apply revenue received therefrom toward reimbursement of Patent Expenses (currently totaling \$ _____), and to assign to AU the right to receive fifteen percent (15%) of all such revenue thereafter;

NOW, THEREFORE, the parties hereto agree as follows:

1. AU hereby releases and transfers to the Faculty Innovator, and to his heirs, executors, administrators and assigns, all of its right and interest in and to the Innovation as described in Exhibit A and in and to any and all copyrights and/or patents, whether United States or foreign, which at any time may be granted therefor, including any and all renewals, reissues and prolongations thereof (the "Copyrights and Patents").
2. The Faculty Innovator hereby agrees to pay AU 50% of any revenue received by the Faculty Innovator from the Innovation toward reimbursement of Patent Expenses until Patent Expenses have been completely reimbursed. Thereafter, the Faculty Innovator hereby assigns to AU fifteen percent (15%) of all revenues received by the Faculty Innovator from the Innovation. The Faculty Innovator agrees, on behalf of himself and his heirs, executors, administrators and assigns, to keep full, true, and accurate books of accounts containing all particulars that may be necessary for the purpose of showing the amounts payable to AU hereunder. The Faculty Innovator agrees to provide to AU annual accountings concerning the patenting, use, licensing, sublicensing, sale, transfer or assignment of the Innovation and the Copyrights and Patents, the terms thereof and the amounts due the Faculty Innovator and AU therefrom, and such other information as AU may reasonably request from time to time. Such Annual Accounting will be made within fifteen (15) days of each anniversary of the date of execution of this Agreement. All payments to AU will be distributed according to standard procedures, except that Faculty Innovator will not receive a share of payments to AU. Within fifteen (15) days of the third anniversary of the date of execution of this Agreement, and each anniversary thereafter, the Faculty Innovator shall have the right to reassign the Innovation back to AU thereby releasing the Faculty Innovator from his obligations under this Agreement. Under such reassignment, AU will have the absolute right to any revenues received from the Innovation with no further obligation to the Faculty Innovator, except the Faculty Innovator, following such reassignment, shall be entitled to receive his portion of the inventor's share of any royalties AU distributes as a result of commercialization of the Innovation.

3. The Faculty Innovator represents that he is the only inventor of the Innovation. The Faculty Innovator further agrees that if other individuals contribute to the Innovation, then those additional contributions will be contingent upon the Faculty Innovator obtaining agreements assigning full ownership and control of those additional contributions to the Faculty Innovator without cost to AU. The Faculty Innovator hereby grants to AU and other non-profit and government institutions a perpetual irrevocable, non-exclusive, non-transferable, royalty-free license to practice said Innovation internally for educational and research purposes only.

4. Faculty Innovator agrees to indemnify and hold AU and its trustees, directors, officers, employees and affiliates harmless from and against any and all claims, demands, losses or causes of action related in any way to the production, marketing or commercialization of the Innovation.

5. Payment checks shall be made payable to "Auburn University" and payments and correspondence sent to:
Director for Commercialization
Office of Innovation Advancement and Commercialization
570 Devall Drive, Suite 102
Auburn, AL 36832

6. Faculty Innovator understands that said Innovation is being assigned to him for his own personal activities. AU does not have any responsibility to further develop the Innovation, and AU shall not be obligated to expend any additional funds, equipment, facilities or other resources. Faculty Innovator agrees not to use any AU funds, equipment, facilities, or other resources to patent, market, license, sell or otherwise commercially develop said Innovation after execution of this Agreement without AU's prior written approval and full reimbursement of the costs of such use. The foregoing notwithstanding, Faculty Innovator is free to perform continued research relating to the Innovation. The rights of Faculty Innovator and AU in any improvements to the Innovation that fall outside that described in Exhibit A or new inventions stemming from this continued research that fall outside that described in Exhibit A will be governed by the terms of the Auburn University Patent Policy.

7. EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN THIS AGREEMENT, AU, ITS TRUSTEES, DIRECTORS, OFFICERS, EMPLOYEES, AND AFFILIATES MAKE NO REPRESENTATIONS AND EXTEND NO WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, VALIDITY OF PATENT RIGHTS CLAIMS, ISSUED OR PENDING, AND THE ABSENCE OF LATENT OR OTHER DEFECTS, WHETHER OR NOT DISCOVERABLE. NOTHING IN THIS AGREEMENT SHALL BE CONSTRUED AS A REPRESENTATION MADE OR WARRANTY GIVEN BY AU THAT THE PRACTICE BY FACULTY INNOVATOR OF THE INNOVATION GRANTED HEREUNDER SHALL NOT INFRINGE THE PATENT RIGHTS OF ANY THIRD PARTY. IN NO EVENT SHALL AU, ITS TRUSTEES, DIRECTORS, OFFICERS, EMPLOYEES AND AFFILIATES BE LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY KIND, INCLUDING ECONOMIC DAMAGE OR INJURY TO PROPERTY AND LOST PROFITS, REGARDLESS OF WHETHER AU SHALL BE ADVISED, SHALL HAVE OTHER REASON TO KNOW, OR IN FACT SHALL KNOW OF THE POSSIBILITY.

8. This Agreement may not be assigned without the prior written mutual consent of the parties.

9. This Agreement shall be governed by the laws of the State of Alabama.

IN WITNESS WHEREOF, this release and assignment has been duly executed by AU and the Faculty Innovator as of the date set forth below.

FACULTY INNOVATOR

AUBURN UNIVERSITY

By _____
Name: _____

By _____
Name: _____

Title: _____

Date: _____

Date: _____