

REVENUE ALLOCATION AGREEMENT

This Agreement is entered into this _____ day of _____, 20 _____, by and among the University of Akron, a university organized under the laws of the State of Ohio, having an address at 170 University Circle, Akron Ohio 44325-4717 ("University"), the University of Akron Research Foundation, a not-for-profit corporation under Ohio law, having an address at 170 University Circle, Akron Ohio 44325-2103 ("Research Foundation"), and _____ an individual residing in the State of Ohio ("Inventor"). The purpose of this Agreement is to define a basis for cooperation between the parties in the development, protection, and commercial exploitation of a certain invention made by Inventor.

INTRODUCTION

1. Inventor is employed by, or is a student or volunteer of, University and has made a certain invention described hereinafter.
2. Inventor, University, and Research Foundation desire to cooperate in the development, protection, and commercial exploitation of the said invention.

NOW THEREFORE, in consideration of the above premises and the mutual covenants and conditions contained herein, Inventor, University, and Research Foundation agree as follows:

1. **Definitions.**

1.1 **Subject Invention(s).** The term "Subject Invention(s)" as used in this Agreement means any discovery, invention or other protectable intellectual property that is conceived or authored by Inventor and is more particularly described in Inventor's Disclosure of Invention entitled _____ dated

- (a) Any U.S. patent application hereafter filed covering any Subject Invention(s), any division, continuation, and continuation-in-part of any such application, and any patent which shall be issued based on such application, division, continuation, and continuation-in-part; and
- (b) Any patent which is a reissue or an extension of, or a patent of addition to, any patent defined in (a) above; and
- (c) Any patent application or patent corresponding to any patent application or patent identified in (a) or (b) above which is hereafter filed or issued in any country other than the United States.

(d) Any other right(s) existing under Federal or State statutes or common law to exploit, exclusively and nonexclusively, any Subject Invention(s), including but not limited to the rights to all associated trade secrets and know-how, and to copyrights.

1.3 **Inventor.** The term “Inventor” as used in Section 2 of this Agreement is the person, or all persons in the circumstance of a joint invention, who made or created the Subject Invention while employed by University.

2. **Commercialization of Patent Rights.**

2.1 Inventor agrees to and does hereby assign to University, and University agrees to exclusively license to Research Foundation their entire right, title, and interest in and to the Subject Invention(s), and the Patent Rights pertaining thereto for the purpose of commercial exploitation thereof for the benefit of Inventor and University in accordance with the terms of this Agreement and other applicable agreements, policies, and laws.

2.2 University, Research Foundation, and Inventor shall cooperate as follows in the filing, prosecution, assignment, and maintenance of the Patent Rights, and in the commercial exploitation of the Patent Rights:

(a) The filing, prosecution, assignment, and maintenance of the Patent Rights shall be carried out by University. Inventor shall cooperate with Patent Counsel designated and engaged by University. All decisions regarding the scope of patent coverage, claim language, and other matters bearing on the substantive content of patents included in the Patent Rights, and the filing of foreign patent applications, shall be made by University in consultation with Patent Counsel and Inventor. Research Foundation may agree that a sublicensee will, at its own expense, carry out the filing, prosecution, assignment, and maintenance of the Patent Rights.

(b) University shall be responsible for the payment of all costs, expenses, taxes, and attorney's fees relating to the filing, prosecution, assignment, and maintenance of patent applications and patents included in the Patent Rights; provided that Research Foundation may require licensees to pay or reimburse Research Foundation and/or University for such costs, expenses, taxes, and fees.

(c) Research Foundation agrees to use its best reasonable efforts to commercialize the Patent Rights by licensing or selling the Patent Rights to third parties. It will be the responsibility of Research Foundation to screen and select qualified potential licensees and purchasers, and to prepare and negotiate the terms of any sublicense or purchase agreement (hereinafter License Agreements), provided that University and Inventor

shall confer with Research Foundation regarding such licensees, License Agreements and the specific aims of such negotiations. Such License Agreements shall provide that all amounts payable as license fees, royalties, or like proceeds shall be paid to Research Foundation, and Research Foundation shall, in turn, pay to Inventor a share of such amounts it receives (“revenue”) in accordance with Section 2.2(d) of this Agreement. Research Foundation agrees to provide to Inventor and University a copy of any fully executed License Agreement (and any amendments or waivers thereto) at their request, and to provide Inventor notice within thirty (30) days of the receipt of all such revenues.

(d) Research Foundation agrees that any revenue received by Research Foundation as license fees, royalties or like proceeds under any License Agreement respecting the Patent Rights shall be held and administered in accordance with the terms of this Agreement and other applicable agreements, policies, and laws. In accordance with the University's pertinent Rules, Policies and Procedures regarding Inventions and Works, Research Foundation shall allocate and pay the following shares of net revenues:

- (1) Inventor’s Share: Inventor shall receive Forty percent (40%) of net revenue. If Inventor comprises multiple inventors, then each shall receive an equal share of the Inventor’s Share unless the inventors advise the Research Foundation of a different pro rata sharing to which the inventors have mutually agreed.
- (2) Research Support Share: Research Foundation shall deposit Ten percent (10%) of net revenue into an account to be used exclusively for the purpose of supporting University research and educational activities as determined by the accountable officer(s), subject to University and Research Foundation policies and approval. The accountable officer(s) for this account shall be the University faculty Inventor during the period of his employment by the University. Upon Inventor's termination or retirement from University employment, the Research Support Share for which he has been the accountable officer shall thereafter be distributed equally among the Inventors, or pro rata as directed by the Inventors pursuant to Section 2.2(d)(1) above.
- (3) Research Foundation shall deposit five percent (5%) of net revenue into an account to be used exclusively for the purpose of supporting research and educational activities as determined by the accountable officer, subject to University and Research Foundation policies and approval. The accountable officer for this account shall be the Dean of the College in which the Inventor has primary appointment.

shall be entitled to receive a reasonable royalty on the use or sales under the Patent Rights resulting from such commercial utilization and exploitation until it has received an amount equal to the out-of-pocket costs incurred by Research Foundation and University in obtaining and maintaining the Patent Rights and, further provided, that the University shall retain a royalty-free right under such Patent Rights for governmental purposes of the State of Ohio.

- (g) The obligation of Research Foundation to allocate and pay to Inventor the above specified share of Research Foundation's revenue under any License Agreement(s) respecting the Patent Rights shall be in effect for the life of such License Agreement(s) and shall inure to the benefit of Inventor, and his/her successors and assigns, irrespective of whether Inventor is employed by University.

3. **General Provisions.**

- 3.1 **Notices.** Any notice or other communication under this Agreement shall be in writing and shall be sent by certified or registered mail, first class, postage prepaid, or personally delivered to:

UNIVERSITY: Office of Research Services
University of Akron
The Polsky Building, Room 284
Akron, Ohio 44325-2102

RESEARCH FOUNDATION: University of Akron Research Foundation
170 University Circle
Akron Ohio 44325-2103

INVENTOR: _____

change or addition to this Agreement shall be in writing and executed by the duly authorized representatives of the parties.

- 3.4 **Liability Protection.** It is understood and acknowledged that Inventor's activities pursuant to the research and development program described in Section 2 above are within the scope of Inventor's employment by University, and Inventor is therefore protected against personal liability arising therefrom in accordance with Ohio law.
- 3.5 **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, and all counterparts shall constitute one and the same Agreement, which sh