



IP3 2018 FAQ

Q: What is AST's IP3 2018?

A: IP3 2018 (Industry Patent Purchase Program) is a fixed price, fixed term, collaborative patent purchase program launched by AST. This year patent owners can submit their patents in many different technology areas; however, there are specific technology areas of focused interest. Also, the submissions received will be made available to AST's full Membership, as well as non-member operating companies who have joined the program (each a "Participant"). The IP3 Participants represent industries including information technology, software, semiconductors, communications, automotive, health tech, lighting and social media. For a two-week period, patent owners with great patents can submit their patents for acquisition to leading multinational companies.

Starting July 9, 2018 through July 20, 2018, patent owners or their authorized representatives can submit their patents to the IP3 2018 Internet submission site at a price they set. The submissions will then be reviewed, and if there is interest in an acquisition, submitters will be notified by October 2, 2018.

Q: What companies/industries are participating in IP3?

A: The full AST Membership and non-member operating companies who join the program will have the opportunity to review all the submissions including companies such as Cisco, Ford, Google, Honda, IBM, Microsoft, Oracle, Philips, SAP, Sony, Uber and Verizon. AST Members are leading companies from various industries including information technology, software, semiconductors, communications, automotive, health tech, lighting and social media.

Q: What technology categories are the focus of this year's IP3?

A: There are 8 technology categories of focused interest in IP3 2018:

- Artificial Intelligence / Machine Learning
- Augmented Reality / Virtual Reality
- Automotive / Transportation Services
- Blockchain
- Internet of Things / Connected Devices
- Smart Home
- Software / Web Services
- 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/>

Q: Why are the IP3 Participators doing this?

A: The success of the past year’s IP3 among buyers and sellers and the strong results indicated a desire for more fixed-price, fixed-term, patent purchase programs. This year’s IP3 is a natural evolution of this kind of innovative solution.

Q: How is IP3 2018 different than last year’s IP3?

A: IP3 2018 builds on the success of last year’s IP3 and offers patent sellers the ability to sell patents in all technology categories during a focused, time-limited period, with no haggling.

While IP3 2018 is still a fixed-price and fixed-term program, changes from last year’s program include:

- A shorter, two-week submission window starting on July 9, 2018 until July 20, 2018
- A longer period of time for IP3 Participators to review the submissions (from the date the submission is received until September 27, 2018 (“the Review period”))
- Non-AST members who join the program will also have the opportunity to review all the submissions
- The submissions are open to many technology areas with a focus on Artificial Intelligence / Machine Learning, Augmented Reality / Virtual Reality, Automotive / Transportation Services, Blockchain, Internet of Things / Connected Devices, Smart Home, Software / Web Services and Wireless.

Q: What are the submission guidelines?

A: IP3 2018 is open for patent submissions starting July 9, 2018 through July 20, 2018.

- Patent holders looking to submit their patents for consideration may submit one or multiple patent families per submission at a fixed price. A preference will be made for single family submissions or related families. Unrelated families may be submitted separately.
- Families submitted must have at least one active granted patent in the US, China, Europe, France, Germany, United Kingdom, Japan, Taiwan, or the Republic of Korea. All the assets in the family are required to be included in the submission.
- If a submission contains more than one patent, the submitter should try to identify one or more featured patent(s) upon which we should base our analysis. The submissions are open to many technology categories but the technologies of focused interest to the IP3 Participators are: Artificial Intelligence / Machine Learning, Augmented Reality / Virtual Reality, Automotive / Transportation



Services, Blockchain, Internet of Things / Connected Devices, Smart Home, Software / Web Services and Wireless.

- By submitting patents to IP3 2018, sellers agree to Terms and Conditions to make their offers exclusive to the IP3 Participants and not to sell, transfer, or encumber any of the submitted assets from the date of the submission until October 2, 2018. This obligation will continue after this date if we send the submitter a notice to purchase the submitted assets.

All submissions will be reviewed as received and sellers will be notified of their patent status by October 2, 2018.

Please visit ast.com/IP3 for more information on the submission process.

Q: Who can make a submission to IP3 2018?

A: If you own an active granted patent in the US, China, Europe, France, Germany, United Kingdom, Japan, Taiwan, or the Republic of Korea or have a legal right from the patent owner to sell the patent, you can make a submission to IP3 2018. We are only able to pay entities or individuals that have a US Tax ID number. US companies will be required to supply a W-9, foreign companies will be required to provide a Form W-8BEN-E, and individuals will need to supply a Form W-9 (SSN) or a Form W-8BEN. [Note: Forms available at <https://www.irs.gov/>.]

Q: How do I submit if there are multiple owners to the same patent?

A: Please make only one submission with all the names listed.

Q: Can I/How do I submit more than one patent family?

A: We will accept one or multiple related patent families per submission although we prefer single families per submission. You are also free to make multiple submissions. Please note the fixed price will be for all patents and their families in each submission.

Q: Do I have to sell the entire patent family?

A: Yes, IP3 will purchase the entire patent family only. Under this program, we consider a patent family to be all assets 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. Members of an extended patent family will have at least one priority in common with at least one other member - either directly or indirectly. For additional information, refer to this link: <https://www.epo.org/searching-for-patents/helpful-resources/first-time-here/patent-families/inpadoc.html>

If you submit patents subject to a terminal disclaimer or have patents terminally disclaimed from it, the terminally disclaimed patents and the patents that have terminally disclaimed patents from them must be included as part of the patent family.

Q: Can I submit pending applications for review?

A: If a pending application (provisional or non-provisional) is a part of a family with at least one active granted patent in the US, China, Europe, France, Germany, United Kingdom, Japan, Taiwan, or the Republic of Korea, please submit it. We will not consider submissions with only pending applications.

Q: Can I submit expired assets?

A: The main granted patent in the US, China, Europe, France, Germany, United Kingdom, Japan, Taiwan, or the Republic of Korea must be active at the time of your submission. If the main patent has expired patents or applications as patent family members, please include them in your submission as family members. We will not consider submissions with only expired assets.

Q: Can I submit design patents?

A: You may submit design patents or applications that are family members of a utility active granted patent in the US, China, Europe, France, Germany, United Kingdom, Japan, Taiwan, or the Republic of Korea. We will not consider submissions with only design assets.

Q: I have received notice of grant from a patent office but haven't gotten a number yet. Can I still submit?

A: If you have a patent number assigned by the time the portal closes on July 20, 2018, please submit it. We require at least one active granted patent in the US, China, Europe, France, Germany, United Kingdom, Japan, Taiwan, or the Republic of Korea in the submission.

Q: How do I submit claim charts or EOU?

A: Follow the instructions on the submission form to include claim charts and other supporting documents with the patent submissions.

Q: I would like the claim charts, EOUs to be treated as Confidential. Do I need to execute an NDA?

A: No. Our confidential obligation is included in the Terms and Conditions. We will agree to take commercially reasonable steps to keep your submission and any supporting documents (claim charts, EOUs, etc.) confidential. For additional information, please refer to the Terms and Conditions document available to download at ast.com/ip3.



Q: If my patent is subject to a security interest, may I still submit it through AST's IP3?

A: IP3 2018 will not purchase any assets with a security interest. Unless you release the security interest prior to submitting it to AST's IP3, the submission will not be accepted.

Q: My patent is licensed/encumbered. Do I need to disclose this information?

A: This information will need to be provided before any purchase. We prefer to have the information provided with the Submission Form under the confidentiality provision of the Terms and Conditions. If not supplied with the submission, the parties that are notified of IP3's tentative intent to purchase must supply all the known encumbrance information related to the patent(s) in the Exhibit C of the Patent Assignment Agreement. They will also need to provide us with a list of any enforcement activities relating to the patent (e.g., any active enforcement proceedings), and a list of currently active disputes involving their patent (e.g., any ownership disputes, etc.).

Q: Would you license patents?

A: This program will only consider purchases. Please feel free to submit assets available to license to AST's standard program at <http://ast.com/interested-in-selling-to-ast/>.

Q: Do I get a grant back license (and the extent of such license) to the patent I am selling you?

A: Yes, Section 1.3 of the Patent Assignment Agreement, available to download at ast.com/ip3, includes the following language: "As of the Effective Date, IP3 hereby grants to Assignor for the life of all the Patents, an irrevocable, non-exclusive, non-transferable, non-assignable (including by operation of law or otherwise), non-sub-licensable, worldwide, fully paid-up right and license under the Patents, to develop, have developed, make, have made, use, have used, sell, offer to sell, import, export and otherwise transfer or dispose of any product, service, method or process."

Q: If IP3 2018 buys my patent, can I still practice the invention?

A: Yes, pursuant to the Patent Assignment Agreement, which may be found at ast.com/ip3, that will be used for all transactions the patent owner will have a license back to practice the invention.

Q: Would you accept a sale that requires multiple payments instead of one paid-in-full amount?

A: No, this program will not consider payments over time.



Q: Will you consider edits to the Patent Assignment Agreement?

A: No, we will not consider edits to the PAA. This program requires the use of the Patent Assignment Agreement provided at ast.com/ip3.

Q: What if I miss the IP3 2018 deadline?

A: Patent sellers who have missed the IP3 2018 deadline may still submit patents for purchase by AST to our standard program at <http://ast.com/interested-in-selling-to-ast/>.

Q: What if my submission does not meet the requirements for IP3 2018?

A: You may submit patents for purchase by AST to our standard program at <http://ast.com/interested-in-selling-to-ast/>.

Q: If I submit assets to IP3 2018 and then change my mind, can I withdraw or cancel my submission?

A: No. For additional details, please refer to the Submission Terms and Conditions available for download at ast.com/ip3.

Q: I already submitted my portfolio to AST's standard program. May I submit the same portfolio to IP3 2018?

A: No, you need to choose between AST's standard program and the IP3 program. You may transfer your portfolio from our standard program to IP3 if the patent list is the same and your listing is active. To transfer your listing to IP3, please send an email to patents@ast.com with your reference/AST Lot number and your fixed price. Please also attach a signed copy of the Terms and Conditions to your email. The Terms and Conditions document is available to download at ast.com/ip3.

Q: Can I submit a patent to IP3 2018 that is a subset of a portfolio already submitted to AST's standard program?

A: You may submit it to IP3 2018 if the current status of the AST's standard listing is closed or the patent and its family members are removed from the active listing. You can check the status of your lot and make any changes to your AST's standard program listing prior to submitting your portfolio to IP3 2018 by contacting patents@ast.com.

Q: I am the patent owner and have offered my patent(s) to other potential buyers and want to submit it to IP3 2018. Do I need to withdraw my submission sent to other potential buyers?

A: Yes. Your offer is made on an exclusive basis. In the Submission Terms and Conditions you will agree not to sell, transfer or encumber your submitted patents until the end of the Review Period (October 2, 2018 or later if we contact you with a tentative



notice to move forward with a transaction). For additional details, please refer to the Submission Terms and Conditions available for download at ast.com/ip3.

Q: I am the patent owner and have my patents listed for sale with a patent broker. Do I need to terminate my brokerage agreement prior to submitting my patent(s) to IP3 2018?

A: Your patent broker may represent you in your submission to IP3 2018. We accept the submissions from the patent owners or their brokers/intermediaries. However, your patent broker will need to withdraw the offer for sale with other potential buyers as the offer to IP3 2018 is made on an exclusive basis. After submitting your patents to IP3 2018, you will agree not to sell, transfer or encumber your submitted patents until the end of the review period (October 2, 2018 or later if we contact you with a tentative notice to move forward with a transaction). We recommend you review the Terms and Conditions prior to submitting your patents to IP3 2018.

Q: When will I know my submission's status?

A: Our goal is to let all submitters know by October 2, 2018 if their submissions are tentatively accepted to move to the next step for purchase. With respect to sellers whom AST contacts about purchasing their patents, please understand such notice is tentative and will require the seller to supply additional information to AST.

Q: Will I know which companies are interested in my patent?

A: IP3 2018 will be making all purchases on behalf of a group of companies. You will not know, nor can we identify any specific company's interest in your patent.

Q: If my submission is accepted/approved for purchase, how will I be paid?

A: If we remain interested in completing the transaction with you after reviewing all materials, we will return a fully executed agreement to you and payment will occur within 30 business days thereafter pursuant to the ACH wire transfer instructions you provide.

Q: What happens if my submitted patents are not purchased?

A: We will notify you by October 2, 2018 if the decision is to not purchase your patents. Your submitted patents will be automatically transferred to our standard program on a non-exclusive basis. You may make changes to your listing (price expectation, patent list, marketing materials, etc.), offer your patents to other potential buyers or close your listing at any time if you decide to withdraw your offering or your patents are sold.

Q: Who can I contact for more information?

A: If you have additional questions, please email IP3@ast.com.

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