

# **MATCO TOOLS PRODUCT IDEA AGREEMENT**

----- THIS FORM MUST ACCOMPANY YOUR IDEA SUBMISSION -----

Matco Tools employs engineers whose function, in part, is to perform research and development for design improvement of existing tools and to develop and introduce unique tools to Matco's Product line. As used within this Agreement, "Product" is defined as quality tools, toolboxes, service equipment, and other goods used by professional mechanics, technicians, and the like in the automotive repair and maintenance industry. Matco Tools also collaborates with associated partner or affiliated companies in the development or improvement of existing Products. Because of this on-going activity, the possibility exists that your Product Idea may already be in some level of development by our engineers. In order to avert any future misunderstanding as to the source of any Product Idea, **Matco Tools requires you to agree to the following conditions before your Product Idea can be received and considered:**

1. You are a resident of the United State of America or its territories.
2. You are the originator of the below-referenced Product Idea or are acting as a representative of such and have the power to enter into this Agreement.
3. No obligation of any kind is assumed by, nor may be implied against Matco Tools, its subsidiary, associated partner or affiliated companies, unless or until a formal written contract has been entered into, and then the obligation shall be only such as is expressed in the formal written contract. Your submission of this Product Idea for purposes of determining interest by Matco Tools or partner company does not imply or create a confidential relationship, a promise to pay or a recognition of either novelty or originality. The use, if any, of any submitted Product Idea is under the sole discretion of Matco Tools.
4. You do not hereby give Matco Tools, its subsidiary, associated partners, or affiliated companies any rights under any patents you now have or may later obtain covering your suggestion, but you do hereby, in consideration of the examination of your suggestion, release it and them from any liability in connection with your suggestion or liability because of use of any portion thereof, except such liability as may arise under valid patents now or hereafter issued or any formal written contract which may hereinafter be entered into by Matco Tools and you.
5. If your Product Idea is patented or has a patent pending status, you agree to submit your Product Idea subject to the protection provided by the patent and industrial design laws of the United States and/or any pertinent foreign country. If Matco Tools is interested in your submitted Product Idea, a licensing agreement or patent purchasing agreement can be negotiated.
6. If your Product Idea is not patented or does not have a patent pending status, Matco Tools will only compensate you for an approved Product Idea as follows: 2% of the first 12 months of net sales after Product launch with a minimum \$2,500 payout. Matco Tools will only pay this compensation if it uses your Product Idea in production Products, and it was not already developing the concept of your Product Idea prior to your submission.
7. Matco Tools is not obligated to return any material submitted by you, including but not limited to drawings, data, pictures, prototypes, etc; therefore, **DO NOT FORWARD ANY MATERIAL TO MATCO TOOLS THAT YOU EXPECT TO BE RETURNED TO YOU**. In the event Matco Tools expressly requests you to forward certain materials as part of its consideration process, Matco Tools will make every reasonable effort to return these materials to you, if you so request in writing.

8. Matco Tools is not obligated to disclose either the means or methods of its evaluation of your submitted Product Idea nor its anticipated or present interest in marketing, tool functionality, or the like.
9. Whether or not Matco Tools elects to use your Product Idea, it may retain copies of your submitted Product Idea and this signed agreement to prevent future misunderstanding as to the intent and scope of your submission. In the event a dispute arises based on alleged use by Matco Tools of this submitted Product Idea, any legal action must be filed no later than four (4) years from the date you disclosed your Product Idea to Matco Tools. You hereby expressly waive all rights to bring any legal action after expiration of this 4-year period.
- 10 All employees of Matco Tools, Fortive Corporation and its subsidiaries are excluded from the provision set forth in this Agreement. Employees are subject to the terms and conditions in their respective employee handbook in regards to product ideas.
11. This Agreement may not be modified or waived in whole or in part.

I, (print name) \_\_\_\_\_,

accept the foregoing conditions and hereby submit the following product idea to Matco Tools pursuant to these foregoing conditions:

Type of Product:

Tool Storage	Hand Tool	Power Tool	Diagnostic Tool	Body Repair Tool
AC + Cooling	General Service	Other		

(briefly describe product idea) \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Address: \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_ Zip \_\_\_\_\_

Email Address: \_\_\_\_\_ Phone: \_\_\_\_\_

Name of your Matco Distributor: \_\_\_\_\_ Are you a Matco Distributor? Y \_\_ N \_\_

Are you ASE Certified? Yes \_\_\_\_\_ No \_\_\_\_\_

Patent Status: None \_\_\_\_ Pending \_\_\_\_ Granted \_\_\_\_ - Patent Number \_\_\_\_\_

**Please mail this signed Agreement along with any printed or electronic media that more fully describes your Product Idea to: Matco Tools, Attn: Legal Services, 4403 Allen Road, Stow, OH 44224. Upon receipt of your Product Idea and a signed copy of this Agreement, Matco Tools will review your submitted material and will advise you of our interest.**