



## **EMPLOYEE CONFIDENTIALITY AGREEMENT**

In consideration of my employment by The Arc of Carroll County, Inc. ("Company"), a Maryland corporation with its principal offices located at 180 Kriders Church Road, Westminster, Maryland 21158, and in recognition that (i) as an employee of the Company, I will have access to Confidential Information (defined in Section 2), customer and vendor information, and corporate opportunities of the Company, I, \_\_\_\_\_ ("Employee") enter into this Confidentiality Agreement (hereinafter "Agreement") with the Company.

### **1. Recitals**

WHEREAS, the Company is engaged in the business of providing employment, housing, rehabilitation, and other services to persons with disabilities; and

WHEREAS, the Company desires to employ Employee, and Employee desires to be employed by the Company, to render services in accordance with the terms and conditions specified herein.

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual promises and conditions set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and Employee, intending to be legally bound, agree as follows:

### **2. Definitions**

For the purposes of this Agreement, the following words shall have the following meanings:

"Company" means The Arc of Carroll County, Inc., and its subsidiaries, divisions and affiliates, or their successors;

"Confidential Information" means information (i) disclosed to or known by the Employee as a consequence of or through Employee's employment with the Company, (ii) not generally known outside the Company, and (iii) which relates to the Company's business. "Confidential Information" shall include all client information, trade secrets, proprietary information, developments, products, methods, processes, designs, algorithms, concepts, research and other

data or information (and any tangible evidence, record or representation thereof), whether prepared, conceived, or developed by an employee of the Company (including Employee) or received by the Company from an outside source, which is in the possession of the Company (whether or not the property of the Company) and which is maintained in confidence by the Company, including, but not limited to: (i) any and all employment, housing, medical, and other information regarding any and all individuals served by the Company; (ii) all technical and business information; (iii) all information relating to the design, manufacture, application, know-how, research, and development of the Company's products and services; (iv) sources of supply and material; (v) operating and other cost data; (vi) information relating to present, past, or prospective customers, customer lists, customer proposals, price lists, and data relating to pricing of products or services; and (vii) any other information not generally known in the industry, including specifically, all information contained in manuals, memoranda, formulae, plans, drawings, designs, specifications, supply sources, and records of the Company including without limitation that which is legended or otherwise identified by the Company as "Confidential Information." Notwithstanding the foregoing, the term "Confidential Information" shall not apply to information which the Company has voluntarily disclosed to the public without restriction or which has otherwise lawfully entered the public domain;

"Invention" means any new or useful art, discovery, contribution, finding, process, writings, software, techniques, and improvement whether or not patentable, and all related know-how which the Employee conceives, makes, and/or reduces to practice, either alone or in collaboration with another employee of the Company, or in collaboration with an outside contractor of the Company, or in collaboration with both Company employees and outside contractors of the Company;

"Copyright Works" are materials for which copyright protection may be obtained, including but not limited to: literary works, computer programs, artistic works (including designs, graphics, drawings, blueprints and other works), recordings, photographs, slides, motion pictures, and audiovisual works;

### **3. Intellectual Property**

#### **3.1 Notify Company**

Upon conception, all Inventions, Confidential Information, and Copyright Works shall become the property of the Company (or the United States Government where required by law) whether or not patent, trademark, or copyright applications are filed on the subject matter of the conception. Employee will communicate to the Company promptly and fully all Inventions, all Confidential Information (whether or not patentable or capable of being trademark or copyright protected), and Copyright Works made or conceived by Employee (whether made or conceived solely by Employee or jointly with others) during the period of Employee's employment with the Company: (i) which correspond to the business, work or investigations of the Company at the time of the conception; or (ii) which result from or are suggested by any work which Employee has performed or may perform, or on behalf of the Company; or (iii) which are developed,

tested, improved or investigated either in part or entirely on the time for which Employee was paid by the Company, or using any resources of the Company.

### 3.2 Assign Rights

Employee agrees, during Employee's employment with the Company, to assign to the Company Employee's entire right, title, and interest in all Inventions, Confidential Information, trademarks, and Copyright Works: (i) which relate in any way to the actual or anticipated business of the Company, or (ii) which relate in any way to the actual or anticipated research or development of the Company, or (iii) which are suggested by or result from any tasks assigned to Employee on behalf of the Company. Employee also agrees to execute at any time during or after Employee's employment an assignment for each such Invention, Confidential Information, trademarks, and Copyright Work as the Company may request, and on such forms as the Company may provide. Employee will promptly and fully assist the Company during and subsequent to Employee's employment in every lawful way without reimbursement other than Employee's normal compensation as an employee of the Company, other than a reasonable payment for time involved in the event employment with the Company has terminated, but at the expense of the Company, to obtain for the benefit of the Company patent, trademark, copyright protection or other proprietary rights for Inventions, trademarks and Copyright Works, in any and all countries irrespective of whether Employee personally believes such Inventions, trademarks, and/or Copyright Works are patentable or protectable.

If the Company is unable because of the Employee's mental or physical incapacity, the Employee's unwillingness, or for any reason to secure the Employee's signature to apply for or to pursue any application for any United States or foreign letters patent or copyright registrations covering Inventions or Copyright Works assigned to the Company, then the Employee hereby irrevocably designates and appoints the Company and its duly authorized officers and agents as the Employee's agent and attorney-in-fact, to act for and in the Employee's behalf and stead to execute and file any such applications and to do all other lawfully permitted acts to further the prosecution and issuance of letters patent or copyright registrations thereon with the same legal force and effect as if executed by the Employee. The Employee hereby waives and quitclaims to the Company any and all claims, of any nature whatsoever, which the Employee now or may hereafter have for infringement of any patents or copyright resulting from any such application for letters patent or copyright registrations assigned hereunder to the Company.

### 3.3 Assignment After Termination

Employee recognizes that Inventions, Confidential Information, trademarks, and Copyright Works relating to Employee's activities while working for the Company and conceived or made by Employee, alone or with others, within twelve months after termination of Employee's employment may have been conceived in significant part while employed by the Company. Accordingly, Employee agrees that such ideas, Inventions, Confidential Information, and Copyright Works shall be presumed to have been conceived during Employee's employment

with the Company and are to be assigned to the Company unless and until Employee receives written permission to the contrary from the Company.

### 3.4 Rights in Copyrights

Unless otherwise agreed in writing by the Company, Copyright Works prepared by Employee (alone or jointly with others) within the scope of Employee's employment with the Company, shall be deemed a "work made for hire" under the copyright laws and shall be owned by the Company. Employee understands that the Company can only make any assignment or release of such works. Employee will do everything reasonably necessary to enable the Company or its nominee to protect the Company's (or its nominee's) rights in such works.

### 3.5 Assist In Preparation of Applications

Employee will promptly and fully assist, if requested by the Company, in the preparation and filing of a patent application, a trademark application, and a copyright application in any and all countries selected by the Company for such Inventions, trademarks and Copyright Works and will assign Employee's entire right, title and interest in and to such Inventions, trademarks, patent applications, Copyright Works, and copyright applications to enable any such applications to be prosecuted under the direction of the Company and to insure that any patent, trademark or copyright obtained thereon will issue to the Company.

After termination of employment, Employee shall continue to assist the Company in the preparation, filing and prosecution of a patent application, trademark application, or copyright application with reasonable reimbursement by the Company for the costs of the travel and time necessitated by such assistance.

### 3.6 Execute Documents

Employee will promptly sign any and all lawful papers, take all lawful oaths, and do all lawful acts, including giving testimony, requested by the Company, without cost to Employee and at the expense of the Company, in connection with any patent application, trademark application, and copyright application and patent, as well as any divisions, continuations, renewals, extensions, re-examinations or reissues of a patent or copyright. Such lawful papers include, but are not limited to, any and all powers, assignments and other papers deemed by the Company to be necessary or advisable in connection with the filing, prosecution, or maintenance of any such patent or copyright application, or in connection with the grant of any such patents or copyrights, or in connection with the transfer of any rights to the Invention or Copyright Work.

### 3.7 Keep Records

Employee will keep and maintain adequate and current written records of all Inventions, Confidential Information, and Copyright Works in the form of notes, sketches, drawings, reports, or other documents relating thereto, which records shall be and shall remain the exclusive property of the Company and shall be available to the Company at all times.

### 3.8 Return of Documents

All writings, records, and other documents and things containing any Inventions, Confidential Information, or Copyright Works in Employee's custody or possession shall be the exclusive property of the Company, shall not be copied and/or removed from the premises of the Company, except in pursuit of the business of the Company, and shall be delivered to the Company, without retaining any copies, upon the termination of Employee's employment or at any time as requested by the Company.

## 4. **Confidential Information of the Company**

### 4.1 No Unauthorized Disclosure or Use

While employed by the Company and thereafter, Employee shall not, directly or indirectly, use or disclose to anyone outside of the Company any Confidential Information other than pursuant to Employee's employment by and for the benefit of the Company.

### 4.2 Ownership of Confidential Information

Employee agrees that all originals and all copies of manuscripts, letters, notes, notebooks, reports, models, computer files and other materials containing, representing, evidencing, recording or constituting any Confidential Information (created by Employee or others) shall be the sole property of the Company or the property of third parties who lawfully disclosed the Confidential Information under obligations of confidentiality.

### 4.3 Third Party Confidential Information

Employee understands that the Company from time to time has in its possession information which is claimed by others to be proprietary or confidential, and which the Company has agreed or is under an obligation to keep confidential and not to disclose such confidential information to any person, firm or corporation (except as necessary to carry out work for the Company with the Company's agreement with such third party) or to use such Confidential Information for the benefit of any party other than the Company or said third party (consistent with the Company's agreement with said third party).

## 5. **Confidential Information of Prior Employers**

### 5.1 Prior Conceptions

Employee represents and warrants that the attached list is a complete list of all inventions (patented or unpatented), trademarks, and Copyright Works, including a brief description thereof (without revealing any confidential or proprietary information of any other party), which Employee made or conceived prior to Employee's employment with the Company, and for which Employee claims ownership, or is in the physical possession of a former employer of Employee,

and which are therefore excluded from the scope of this Agreement. If no such list is attached to this Agreement, the Employee represents that there are no such prior inventions (patented or unpatented), trademarks, or copyright works.

## 5.2 Prior Obligations

Employee understands that the Company does not desire to acquire from Employee any trade secrets, confidential business information, or other proprietary information that Employee may have acquired from others. Employee has informed the Company in the space below, of any (i) continuing obligations that Employee may have to any previous employers which requires Employee not to disclose information to the Company or compete with any such previous employers; and (ii) confidential information or developments which Employee claims as Employee's own or otherwise intends to exclude from this Agreement, because it was developed by Employee prior to the date of this Agreement. Employee understands that after execution of this Agreement, Employee shall have no right to exclude Confidential Information from this Agreement.

(If there are none, please enter the word "None." Attach additional pages as necessary.)

**NOTE:** For obligations not to disclose information to the Company or compete with any such previous employers give the date of such obligations, identify the parties owed such obligations, and the nature of the restriction. Please attach copies of any such written obligation(s) to this Agreement.

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## 6. Covenant Not To Compete

Employee agrees that Employee will not, during the course of employment or for a period of 12-months commencing upon the expiration of employment, voluntarily or involuntarily, directly or indirectly, anywhere in the State of Maryland, develop, or assist others to develop Inventions with functionality similar to the functionality of any Inventions developed or under development by the Company. However, Employee shall be permitted to engage in such proposed work or activity, and the Company shall furnish Employee written consent to that effect if Employee furnishes to the Company clear and convincing written evidence, including assurances from Employee and Employee's new employer, that the fulfillment of Employee's duties in such proposed work or activity for said new Employer would not cause Employee to disclose, base judgments upon, or use any such Confidential Information of the Company.

Following the expiration of said 12-month period, Employee shall continue to be obligated not to use or to disclose Confidential Information so long as the Confidential Information shall remain proprietary or protected as confidential or a trade secret. It is understood that the geographical area set forth in this covenant is divisible so that if this clause is invalid or unenforceable in an included geographic area, that area is severable and the clause remains in effect for the remaining included geographic areas in which the clause is valid.

**7. Inducement of Employees**

During Employee's employment by the Company and for a period of 24-months after date of termination of Employee, Employee shall not, directly or indirectly, induce, attempt to induce or aid others in inducing a salaried employee of the Company to accept employment or affiliation involving competitive work with another firm or corporation of which Employee is an employee, partner, consultant, or officer.

**8. Nonsolicitation of Business**

For a period of 24-months from the date of termination of employment, Employee will not divert or attempt to divert from the Company any business the Company has enjoyed or solicited from its customers during a period of 24-months prior to the date of termination of Employee.

**9. Right of Assignment**

The Company may assign this Agreement to a successor to all or substantially all of the business or assets of the Company, or of any division or part of the Company with which Employee shall be employed. This Agreement will continue to be in effect upon Employee's transfer from employment by the Company, to future re-employment by the Company, or by any subsidiary or affiliate or division thereof, or future successor of the Company on condition that a like agreement is in effect between such future employer and employees thereof.

**10. Miscellaneous**

10.1 Handbooks and Manuals

Any employee or consultant handbooks or procedure manuals of the Company shall not constitute a part of this Agreement with the Company, nor do such handbooks or manuals override this Agreement, in part or in whole. Such handbooks and manuals, if any, are meant only as guidelines for management and may be changed at any time without notice.

10.2 Employment at Will

This Agreement is not a contract of employment. Notwithstanding anything contained in this Agreement to the contrary, Employee's employment with the Company is at will.

**THE ARC OF CARROLL COUNTY, INC.**

**LIST OF PRIOR INVENTIONS, TRADEMARKS  
AND ORIGINAL WORKS OF AUTHORSHIP**

<u>Title</u>	<u>Date</u>	<u>Identifying Number or Brief Description</u>
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		

Name of Employee: \_\_\_\_\_

Employee's Signature: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_