## **Contract 3: Employment Agreement (Low to Moderate Risk)**

**This document is more balanced but has some missing protective clauses**

### **EMPLOYMENT AGREEMENT**

This Employment Agreement ("Agreement") is made as of March 1, 2025, between:

**EMPLOYER:** DataStream Technologies Inc. 555 Corporate Center Boston, MA 02101 ("Company")

**EMPLOYEE:** Alexandra Thompson 123 Residential Street Cambridge, MA 02138 ("Employee")

### **1. EMPLOYMENT**

1.1 **Position.** The Company hereby employs Employee in the position of Senior Software Engineer, and Employee hereby accepts such employment.

1.2 **Duties.** Employee shall perform all duties customarily associated with the position and such other duties as may be assigned by the Company from time to time. Employee shall report to the Director of Engineering.

1.3 **Location.** Employee's primary work location shall be the Company's office in Boston, Massachusetts. The Company may require Employee to work at other locations as business needs require.

1.4 **Full-Time Employment.** This is a full-time position. Employee shall devote Employee's full business time, energy, and skill to the performance of duties for the Company.

### **2. TERM OF EMPLOYMENT**

2.1 **At-Will Employment.** Employee's employment with the Company is at-will, meaning that either the Company or Employee may terminate the employment relationship at any time, with or without cause and with or without notice.

2.2 **Commencement Date.** Employee's employment shall commence on March 15, 2025.

### **3. COMPENSATION AND BENEFITS**

3.1 **Base Salary.** The Company shall pay Employee an annual base salary of $145,000, payable in accordance with the Company's standard payroll practices, subject to applicable withholdings and deductions.

3.2 **Performance Bonus.** Employee may be eligible for an annual performance bonus of up to 15% of base salary, based on individual and company performance, as determined by the Company in its sole discretion.

3.3 **Equity Compensation.** Subject to approval by the Board of Directors, Employee will be granted stock options to purchase 10,000 shares of Company common stock, subject to the terms of the Company's Stock Option Plan and a separate Stock Option Agreement.

3.4 **Benefits.** Employee shall be eligible to participate in the Company's employee benefit plans, including:

* Health insurance (medical, dental, vision)
* 401(k) retirement plan with 4% company match
* Life insurance
* Disability insurance
* Paid time off: 15 days per year
* Sick leave: 10 days per year
* Paid holidays: 10 company holidays

3.5 **Salary Review.** Employee's compensation shall be reviewed annually, with any adjustments at the Company's discretion.

### **4. CONFIDENTIAL INFORMATION AND INTELLECTUAL PROPERTY**

4.1 **Confidential Information.** During employment and thereafter, Employee shall not use or disclose any Confidential Information of the Company. "Confidential Information" means all non-public information relating to the Company's business, including but not limited to:

* Technical data and trade secrets
* Business plans and strategies
* Customer and supplier information
* Financial information
* Product development plans
* Source code and algorithms
* Marketing strategies

4.2 **Intellectual Property Assignment.** Employee agrees that all inventions, discoveries, works of authorship, and other intellectual property created or developed by Employee during employment, whether alone or with others, that: (a) Relate to the Company's business or anticipated business, or (b) Result from work performed for the Company, or (c) Are developed using the Company's equipment, supplies, facilities, or Confidential Information, shall be the sole and exclusive property of the Company.

4.3 **Works Made for Hire.** To the extent any such work constitutes a work made for hire under copyright law, it shall be considered a work made for hire for the Company.

4.4 **Assignment.** Employee hereby assigns to the Company all right, title, and interest in and to any intellectual property subject to this Section 4.

4.5 **Disclosure Obligation.** Employee shall promptly disclose to the Company all inventions and works that may be subject to this Section 4.

4.6 **Prior Inventions.** Employee has listed on Exhibit A attached hereto all inventions and works created prior to employment that Employee wishes to exclude from this Agreement. If no such list is attached, Employee represents that there are no such prior inventions or works.

### **5. NON-COMPETE AND NON-SOLICITATION**

5.1 **Non-Compete.** During employment and for a period of 12 months following termination of employment for any reason, Employee shall not, directly or indirectly:

a) Engage in any business that competes with the Company's business within a 50-mile radius of any Company location;

b) Own, manage, operate, control, be employed by, participate in, or be connected with any business that competes with the Company, except that Employee may own up to 2% of the stock of a publicly traded company;

c) Solicit or attempt to solicit any customer or client of the Company to purchase products or services competitive with those offered by the Company.

5.2 **Non-Solicitation of Employees.** During employment and for 12 months after termination, Employee shall not, directly or indirectly, solicit, recruit, or hire any employee or consultant of the Company or encourage any such person to leave the Company's employment.

5.3 **Non-Disparagement.** Employee agrees not to make any disparaging statements about the Company, its products, services, or employees.

5.4 **Reasonableness.** Employee acknowledges that the restrictions in this Section 5 are reasonable and necessary to protect the Company's legitimate business interests.

### **6. COMPANY PROPERTY**

6.1 Employee acknowledges that all equipment, materials, documents, and data provided by the Company or created during employment are the property of the Company.

6.2 Upon termination of employment, Employee shall immediately return all Company property, including but not limited to:

* Laptop computers and mobile devices
* Keys and access cards
* Documents and files (physical and electronic)
* Customer and supplier lists
* Any other Company property in Employee's possession

### **7. TERMINATION**

7.1 **Termination by Company for Cause.** The Company may terminate Employee's employment immediately for Cause, which includes:

* Material breach of this Agreement
* Gross negligence or willful misconduct
* Conviction of a felony or crime involving moral turpitude
* Violation of Company policies
* Unauthorized disclosure of Confidential Information
* Failure to perform duties satisfactorily

7.2 **Termination Without Cause.** The Company may terminate Employee's employment without Cause upon providing two weeks' notice or two weeks' pay in lieu of notice.

7.3 **Termination by Employee.** Employee may terminate employment at any time upon providing four weeks' written notice to the Company.

7.4 **Severance.** If the Company terminates Employee's employment without Cause, Employee shall receive:

* Continued base salary for 8 weeks
* Continuation of health insurance benefits for 8 weeks (COBRA)
* Payment for accrued but unused paid time off

Severance is contingent upon Employee signing a release of claims.

7.5 **No Severance for Cause.** No severance shall be paid if employment is terminated for Cause or if Employee resigns.

### **8. REPRESENTATIONS AND WARRANTIES**

8.1 Employee represents and warrants that:

a) Employee is not bound by any agreement that would prevent Employee from entering into this Agreement or performing Employee's duties;

b) Employee's employment will not violate any agreement or obligation to any former employer or other party;

c) Employee has not brought and will not bring to the Company any confidential information of any former employer or other party;

d) All information provided by Employee in the hiring process is true and accurate.

### **9. GENERAL PROVISIONS**

9.1 **Governing Law.** This Agreement shall be governed by the laws of the Commonwealth of Massachusetts without regard to conflicts of law principles.

9.2 **Dispute Resolution.** Any dispute arising from this Agreement shall first be submitted to mediation. If mediation is unsuccessful, the dispute shall be resolved by binding arbitration in Boston, Massachusetts under the rules of the American Arbitration Association.

9.3 **Entire Agreement.** This Agreement constitutes the entire agreement between the parties and supersedes all prior agreements, whether written or oral, relating to the subject matter hereof.

9.4 **Amendment.** This Agreement may be amended only by written instrument signed by both parties.

9.5 **Severability.** If any provision of this Agreement is held to be invalid or unenforceable, the remaining provisions shall remain in full force and effect.

9.6 **Waiver.** No waiver of any provision of this Agreement shall be effective unless in writing and signed by the party against whom enforcement is sought.

9.7 **Assignment.** The Company may assign this Agreement to any successor or affiliate. Employee may not assign this Agreement.

9.8 **Survival.** Sections 4, 5, 6, and 9 shall survive termination of employment.

9.9 **Notices.** All notices shall be in writing and delivered to the addresses set forth above or to such other address as either party may designate in writing.

9.10 **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original.

**IN WITNESS WHEREOF**, the parties have executed this Agreement as of the date first written above.

**COMPANY:** DataStream Technologies Inc.

Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Name: Robert Williams Title: Chief Executive Officer Date: March 1, 2025

**EMPLOYEE:**

Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Name: Alexandra Thompson Date: March 1, 2025

### **EXHIBIT A: PRIOR INVENTIONS**

[Employee to list any prior inventions or state "None"]

None