Balanced Employee Intellectual Property Agreement 1.0.1

This BALANCED EMPLOYEE INTELLECTUAL PROPERTY AGREEMENT is between person named below and QLTech Ltd, a Irish Private Company Limited ("Company").

What is this? This is the Company's Intellectual Property Agreement ("Agreement"). If you've worked in the technology space before, there's a good chance that you've run across one or more of these in the past. This document is the official, entire and exclusive agreement on what intellectual property ("IP") is yours, and what belongs to the Company.

Why is this? The Company needs to be clear on what IP it owns and has rights to. Its customers, employees, and investors depend on the Company having the legal rights to the products and services it is providing so that the Company can continue operating and doing business.

The Company also believes that it's important to be clear on what it doesn't own. The Company doesn't want you looking over your shoulder every time you work on something personal or worrying that the Company will someday seize your open source non-lethal mousetrap simulation software. In other words, the Company isn't interested in appropriating your personal projects.

Read this. Please read this document and be sure you understand it before you sign it. Due to legal risk and corporate obligations, the Company cannot, by and large, negotiate its terms. If you feel you have a particular circumstance that keeps you from signing, please let the Company's legal department ("Legal") know. And, of course, you're always free and encouraged to get your own legal counsel to explain anything you're not clear on.

Cool? Then, by signing this Agreement, and as a condition of your employment, you agree to the following:

- 1. **What the Company owns.** The Company owns any IP ("Company IP") that you create, or help create *as its employee or contractor*, but only if it meets one or more of these additional conditions: The IP was (i) related to an existing or prospective Company product or service at the time you developed, invented, or created it, (ii) developed for use by the Company, or (iii) developed or promoted with existing Company IP or with the Company's endorsement. You hereby grant and assign, and will grant and assign, to the Company all rights and interests in all Company IP.
 - "Company IP" includes concepts, designs, developments, discoveries, ideas, improvements, inventions, trade secrets, trademarks, and works of authorship.
- 2. **What the Company doesn't own.** If you create IP that doesn't fit into one of the categories listed above, the Company doesn't own it. In other words, the Company doesn't own concepts, designs, developments, discoveries, ideas, improvements, inventions, trade secrets, trademarks, or works of authorship that you develop, invent, or create that do not meet any of the conditions in Section 1. This is true regardless of the computer you use to develop your IP, including the one furnished to you by the Company.

- The Company also doesn't own IP excluded by laws such as those listed in Exhibit A. You acknowledge you have reviewed Exhibit A and have read those laws applicable to you.
- 3. **Contribution of your IP to Company projects.** If you include your own IP such as IP you created prior to working for the Company into a Company product or service, it's still yours, of course, but you grant the Company a non-exclusive, irrevocable, fully paid-up, royalty-free, perpetual, sublicensable, transferable, worldwide license to use it without restriction in any way or implementation, in modified form, or as is, by itself, or incorporated into another product or service ("License"). If you include your name in any project over which the Company would have rights under this Agreement, such as in a copyright notice or a comment in code or documentation, then the License covers the rights associated with that use of your name as well.
- 4. Your contributions to non-Company projects. The Company recognizes that you may be engaged in work that requires you to submit IP to entities other than the Company, such as open source projects used by the Company. Please make sure that Legal is aware of what you're working on so that Legal can help with any licensing issues. If any project asks you to sign a contribution agreement, you should check with Legal before doing so. These agreements may be legally binding on the Company and so should be run through Legal first.
- 5. **Works made for hire.** All Company IP that you are involved with or create as part of your work for the Company is <u>work made for hire</u> under copyright law and compensated by your regular salary or pay.
- 6. **No conflicts.** You agree that you don't have any outstanding agreements or obligations that conflict with those in this Agreement, and that you won't enter into conflicting agreements in the future.
- 7. **IP protection.** The Company might someday need to show the work that went into the development of IP that it uses or has used, or to make government filings to establish that it owns the IP or has rights over it. To help in those situations, you agree not to destroy any records you maintain relating to the development of any Company IP or IP under License (together, "All IP"), and, if the Company asks, to provide those records to the Company. You agree to help the Company secure and defend its rights in All IP, including after you leave the Company. For your help the Company will compensate you at a reasonable rate. If the Company is unable to secure your help, you authorize the Company to act on your behalf (as your agent and attorney-in-fact) in securing all rights related to All IP.
- 8. **Confidentiality.** As an employee or contractor of the Company, you will have access to sensitive confidential information that is important to the Company's business. You are responsible for keeping this information confidential, including after you end your work for the Company.
 - Please be aware, however, that under the <u>Defend Trade Secrets Act of 2016</u>, you have the right to disclose trade secrets, confidentially, to the government or a lawyer for the purpose of reporting or investigating a suspected violation of law, or you may disclose trade secrets in documents filed under seal in a legal proceeding.

"Confidential Information" includes non-public technical details about our products or services, financial information, business strategies and forecasts, customer data, or any other information, data or know-how that is valuable to the Company because it is not publicly known.

The Company's Confidential Information is sensitive and we expect that you'll treat it as such. You agree to only use the Company's Confidential Information for the purpose of performing your job and for the benefit of the Company. You will do your best to keep Confidential Information secret. If you are not sure if something is Confidential Information, you should assume that it is, until you can confirm otherwise.

Print Name:	_
Sign:	-
Date:	_

Exhibit A: Laws Concerning Employment Agreements and Intellectual Property Assignment

United States

California

http://leginfo.legislature.ca.gov/faces/codes_displayText.xhtml?division=3.&chapter=2.&lawCode=LAB&article=3.5.

2870. (a) Any provision in an employment agreement which provides that an employee shall assign, or offer to assign, any of his or her rights in an invention to his or her employer shall not apply to an invention that the employee developed entirely on his or her own time without using the employer's equipment, supplies, facilities, or trade secret information except for those inventions that either:

- (1) Relate at the time of conception or reduction to practice of the invention to the employer's business, or actual or demonstrably anticipated research or development of the employer; or
- (2) Result from any work performed by the employee for the employer.
- (b) To the extent a provision in an employment agreement purports to require an employee to assign an invention otherwise excluded from being required to be assigned under subdivision (a), the provision is against the public policy of this state and is unenforceable. (Amended by Stats. 1991, Ch. 647, Sec. 5.)

2871. No employer shall require a provision made void and unenforceable by Section 2870 as a condition of employment or continued employment. Nothing in this article shall be construed to forbid or restrict the right of an employer to provide in contracts of employment for disclosure, provided that any such disclosures be received in confidence, of all of the employee's inventions made solely or jointly with others during the term of his or her employment, a review process by the employer to determine such issues as may arise, and for full title to certain patents and inventions to be in the United States, as required by

contracts between the employer and the United States or any of its agencies. (Added by Stats. 1979, Ch. 1001.)

2872. If an employment agreement entered into after January 1, 1980, contains a provision requiring the employee to assign or offer to assign any of his or her rights in any invention to his or her employer, the employer must also, at the time the agreement is made, provide a written notification to the employee that the agreement does not apply to an invention which qualifies fully under the provisions of Section 2870. In any suit or action arising thereunder, the burden of proof shall be on the employee claiming the benefits of its provisions.

(Added by Stats. 1979, Ch. 1001.)

Delaware

http://delcode.delaware.gov/title19/c008/index.shtml#805

§ 805 Employee's right to certain inventions.

Any provision in an employment agreement which provides that the employee shall assign or offer to assign any of the employee's rights in an invention to the employee's employer shall not apply to an invention that the employee developed entirely on the employee's own time without using the employer's equipment, supplies, facility or trade secret information, except for those inventions that:

- (1) Relate to the employer's business or actual or demonstrably anticipated research or development; or
- (2) Result from any work performed by the employee for the employer.

To the extent a provision in an employment agreement purports to apply to the type of invention described, it is against the public policy of this State and is unenforceable. An employer may not require a provision of an employment agreement made unenforceable under this section as a condition of employment or continued employment.

64 Del. Laws, c. 257, § 1; 70 Del. Laws, c. 186, § 1.;

Illinois

http://www.ilga.gov/legislation/ilcs/ilcs3.asp?ActID=2238

(765 ILCS 1060/1) (from Ch. 140, par. 301)

Sec. 1. This Act shall be known and may be cited as the "Employee Patent Act". (Source: P.A. 83-493.)

(765 ILCS 1060/2) (from Ch. 140, par. 302)

Sec. 2. Employee rights to inventions - conditions). (1) A provision in an employment agreement which provides that an employee shall assign or offer to assign any of the employee's rights in an invention to the employer does not apply to an invention for which no equipment, supplies, facilities, or trade secret information of the employer was used and which was developed entirely on the employee's own time, unless (a) the invention relates (i) to the business of the employer, or (ii) to the employer's actual or demonstrably anticipated research or development, or (b) the invention results from any work performed by the employee for the employer. Any provision which purports to apply to such an

invention is to that extent against the public policy of this State and is to that extent void and unenforceable. The employee shall bear the burden of proof in establishing that his invention qualifies under this subsection.

- (2) An employer shall not require a provision made void and unenforceable by subsection (1) of this Section as a condition of employment or continuing employment. This Act shall not preempt existing common law applicable to any shop rights of employers with respect to employees who have not signed an employment agreement.
- (3) If an employment agreement entered into after January 1, 1984, contains a provision requiring the employee to assign any of the employee's rights in any invention to the employer, the employer must also, at the time the agreement is made, provide a written notification to the employee that the agreement does not apply to an invention for which no equipment, supplies, facility, or trade secret information of the employer was used and which was developed entirely on the employee's own time, unless (a) the invention relates (i) to the business of the employer, or (ii) to the employer's actual or demonstrably anticipated research or development, or (b) the invention results from any work performed by the employee for the employer.

(Source: P.A. 83-493.)

(765 ILCS 1060/3) (from Ch. 140, par. 303)

Sec. 3. This Act takes effect upon becoming a law.

(Source: P.A. 83-493.)

Kansas

http://www.ksrevisor.org/statutes/chapters/ch44/044_001_0030.html

- 44-130. Employment agreements assigning employee rights in inventions to employer; restrictions; certain provisions void; notice and disclosure. (a) Any provision in an employment agreement which provides that an employee shall assign or offer to assign any of the employee's rights in an invention to the employer shall not apply to an invention for which no equipment, supplies, facilities or trade secret information of the employer was used and which was developed entirely on the employee's own time, unless:
- (1) The invention relates to the business of the employer or to the employer's actual or demonstrably anticipated research or development; or
- (2) the invention results from any work performed by the employee for the employer.
- (b) Any provision in an employment agreement which purports to apply to an invention which it is prohibited from applying to under subsection (a), is to that extent against the public policy of this state and is to that extent void and unenforceable. No employer shall require a provision made void and unenforceable by this section as a condition of employment or continuing employment.
- (c) If an employment agreement contains a provision requiring the employee to assign any of the employee's rights in any invention to the employer, the employer shall provide, at the time the agreement is made, a written notification to the employee that the agreement does not apply to an invention for which no equipment, supplies, facility or trade secret information of the employer was used and which was developed entirely on the employee's own time, unless:
- (1) The invention relates directly to the business of the employer or to the employer's actual or demonstrably anticipated research or development; or

- (2) the invention results from any work performed by the employee for the employer.
- (d) Even though the employee meets the burden of proving the conditions specified in this section, the employee shall disclose, at the time of employment or thereafter, all inventions being developed by the employee, for the purpose of determining employer and employee rights in an invention.

History: L. 1986, ch. 186, § 1; July 1.

Minnesota

https://www.revisor.mn.gov/statutes?id=181.78

181.78 AGREEMENTS; TERMS RELATING TO INVENTIONS.

Subdivision 1. Inventions not related to employment. Any provision in an employment agreement which provides that an employee shall assign or offer to assign any of the employee's rights in an invention to the employer shall not apply to an invention for which no equipment, supplies, facility or trade secret information of the employer was used and which was developed entirely on the employee's own time, and (1) which does not relate (a) directly to the business of the employer or (b) to the employer's actual or demonstrably anticipated research or development, or (2) which does not result from any work performed by the employee for the employer. Any provision which purports to apply to such an invention is to that extent against the public policy of this state and is to that extent void and unenforceable.

Subd. 2. Effect of subdivision 1. No employer shall require a provision made void and unenforceable by subdivision 1 as a condition of employment or continuing employment. Subd. 3. Notice to employee. If an employment agreement entered into after August 1, 1977 contains a provision requiring the employee to assign or offer to assign any of the employee's rights in any invention to an employer, the employer must also, at the time the agreement is made, provide a written notification to the employee that the agreement does not apply to an invention for which no equipment, supplies, facility or trade secret information of the employer was used and which was developed entirely on the employee's own time, and (1) which does not relate (a) directly to the business of the employer or (b) to the employer's actual or demonstrably anticipated research or development, or (2) which does not result from any work performed by the employee for the employer.

History: 1977 c 47 s 1; 1986 c 444

Nevada

https://www.leg.state.nv.us/nrs/NRS-600.html#NRS600Sec500

NRS 600.500 Employer is sole owner of patentable invention or trade secret developed by employee. Except as otherwise provided by express written agreement, an employer is the sole owner of any patentable invention or trade secret developed by his or her employee during the course and scope of the employment that relates directly to work performed during the course and scope of the employment.

(Added to NRS by 2001, 942; A 2003, 2832)

North Carolina

http://www.ncleg.net/EnactedLegislation/Statutes/HTML/ByArticle/Chapter_66/Article_10A.html

Article 10A.

Inventions Developed by Employee.

§ 66-57.1. Employee's right to certain inventions.

Any provision in an employment agreement which provides that the employee shall assign or offer to assign any of his rights in an invention to his employer shall not apply to an invention that the employee developed entirely on his own time without using the employer's equipment, supplies, facility or trade secret information except for those inventions that (i) relate to the employer's business or actual or demonstrably anticipated research or development, or (ii) result from any work performed by the employee for the employer. To the extent a provision in an employment agreement purports to apply to the type of invention described, it is against the public policy of this State and is unenforceable. The employee shall bear the burden of proof in establishing that his invention qualifies under this section. (1981, c. 488, s. 1.)

§ 66-57.2. Employer's rights.

- (a) An employer may not require a provision of an employment agreement made unenforceable under G.S. 66-57.1 as a condition of employment or continued employment. An employer, in an employment agreement, may require that the employee report all inventions developed by the employee, solely or jointly, during the term of his employment to the employer, including those asserted by the employee as nonassignable, for the purpose of determining employee or employer rights.
- (b) An employer's ownership of an employee's invention, discovery, or development that has or becomes vested in the employer by contract or by operation of law shall not be subject to revocation or rescission in the event of a dispute between the employer and employee concerning payment of compensation or benefits to the employee, subject to any contrary provision in the employee's written employment agreement. The foregoing provision shall not apply where the employee proves that the employer acquired ownership of the employee's invention, discovery, or development fraudulently.
- (c) If required by a contract between the employer and the United States or its agencies, the employer may require that full title to certain patents and inventions be in the United States. (1981, c. 488, s. 1; 2016-114, s. 4.)

Utah

http://le.utah.gov/xcode/Title34/Chapter39/34-39.html

Chapter 39

Employment Inventions Act

34-39-1 Citation of act.

This act is known as the "Employment Inventions Act."

Enacted by Chapter 217, 1989 General Session

34-39-2 Definitions.

As used in this chapter:

- (1) "Employment invention" means any invention or part thereof conceived, developed, reduced to practice, or created by an employee which is:
- (a) conceived, developed, reduced to practice, or created by the employee:

- (i) within the scope of his employment;
- (ii) on his employer's time; or
- (iii) with the aid, assistance, or use of any of his employer's property, equipment, facilities, supplies, resources, or intellectual property;
- (b) the result of any work, services, or duties performed by an employee for his employer;
- (c) related to the industry or trade of the employer; or
- (d) related to the current or demonstrably anticipated business, research, or development of the employer.
- (2) "Intellectual property" means any and all patents, trade secrets, know-how, technology, confidential information, ideas, copyrights, trademarks, and service marks and any and all rights, applications, and registrations relating to them.

Enacted by Chapter 217, 1989 General Session

- 34-39-3 Scope of act -- When agreements between an employee and employer are enforceable or unenforceable with respect to employment inventions -- Exceptions.
- (1) An employment agreement between an employee and his employer is not enforceable against the employee to the extent that the agreement requires the employee to assign or license, or to offer to assign or license, to the employer any right or intellectual property in or to an invention that is:
- (a) created by the employee entirely on his own time; and
- (b) not an employment invention.
- (2) An agreement between an employee and his employer may require the employee to assign or license, or to offer to assign or license, to his employer any or all of his rights and intellectual property in or to an employment invention.
- (3) Subsection (1) does not apply to:
- (a) any right, intellectual property or invention that is required by law or by contract between the employer and the United States government or a state or local government to be assigned or licensed to the United States; or
- (b) an agreement between an employee and his employer which is not an employment agreement.
- (4) Notwithstanding Subsection (1), an agreement is enforceable under Subsection (1) if the employee's employment or continuation of employment is not conditioned on the employee's acceptance of such agreement and the employee receives a consideration under such agreement which is not compensation for employment.
- (5) Employment of the employee or the continuation of his employment is sufficient consideration to support the enforceability of an agreement under Subsection (2) whether or not the agreement recites such consideration.
- (6) An employer may require his employees to agree to an agreement within the scope of Subsection (2) as a condition of employment or the continuation of employment.
- (7) An employer may not require his employees to agree to anything unenforceable under Subsection (1) as a condition of employment or the continuation of employment.
- (8) Nothing in this chapter invalidates or renders unenforceable any employment agreement or provisions of an employment agreement unrelated to employment inventions.

Enacted by Chapter 217, 1989 General Session

Washington

http://app.leg.wa.gov/RCW/default.aspx?cite=49.44.140

RCW 49.44.140

Requiring assignment of employee's rights to inventions—Conditions.

- (1) A provision in an employment agreement which provides that an employee shall assign or offer to assign any of the employee's rights in an invention to the employer does not apply to an invention for which no equipment, supplies, facilities, or trade secret information of the employer was used and which was developed entirely on the employee's own time, unless (a) the invention relates (i) directly to the business of the employer, or (ii) to the employer's actual or demonstrably anticipated research or development, or (b) the invention results from any work performed by the employee for the employer. Any provision which purports to apply to such an invention is to that extent against the public policy of this state and is to that extent void and unenforceable.
- (2) An employer shall not require a provision made void and unenforceable by subsection
- (1) of this section as a condition of employment or continuing employment.
- (3) If an employment agreement entered into after September 1, 1979, contains a provision requiring the employee to assign any of the employee's rights in any invention to the employer, the employer must also, at the time the agreement is made, provide a written notification to the employee that the agreement does not apply to an invention for which no equipment, supplies, facility, or trade secret information of the employer was used and which was developed entirely on the employee's own time, unless (a) the invention relates (i) directly to the business of the employer, or (ii) to the employer's actual or demonstrably anticipated research or development, or (b) the invention results from any work preformed [performed] by the employee for the employer.

[1979 ex.s. c 177 § 2.]