

### **Restrictive Covenants for the Residency**

- 1. <u>"At Will" Employment</u>. This employment is an "at will" engagement, meaning that employer or employee may terminate the relationship at any time without cause.
- 2. <u>Compliance</u>. Employee agrees to comply with, follow and perform his tasks according to the policies of Employer as they exist and may be changed from time to time.

### 3. Confidentiality Agreement.

- a. Employee acknowledges and understands that Employee will receive access to proprietary information of employer during the course of training and employment and will maintain such information for the benefit of Employer, including but not limited to technical, business, financial, and industry information which Employer treats as proprietary and confidential and which is entitled to protection under, among other things, the Uniform Trade Secrets Act, Chapter 19.108 RCW. Employee further acknowledges that his or her misuse of the foregoing information as defined by this Agreement would cause immediate and irreparable harm to Employer.
- b. During Employee's employment with Employer and thereafter, Employee shall not at any time, whether during or after his or her employment with Employer, take or use, or otherwise disclose to anyone, any "Confidential Information" obtained while associated with Employer, except as necessary to perform his or her duties as Employee or as otherwise required by law. Employee promises to protect Employer's Confidential Information and acknowledges that this information has economic value, because of, among other things, its secrecy.
- c. "Confidential Information" is defined as all non-public information of a unique nature relating to Employer or its business operations that is disclosed to the Employee, that he or she produces while employed by Employer, or the Employee otherwise obtains during his or her employment with Employer. Examples of Confidential Information include, but are not limited to, information regarding Employer's business operations, financial affairs, personnel, software, procedures, manuals, techniques, inventions, confidential reports, research, marketing methods, plans and pricing information.
- d. Should Employee's employment with Employer terminate, for whatever reason(s), irrespective of whether such termination is voluntary, Employee will promptly return to Employer all records and materials containing Confidential Information or other information relating to Employer that he or she controls and will neither make nor retain any copies of such records and materials. This includes, but is not limited to, all of Employer's data, records, reports, plans, manuals, notes, correspondence, memoranda, work sheets, specifications, supplier lists, pricing information, computer programs, inventions, and all other materials which are or have become the property of Employer and any and all copies or reproductions of any such items. Employee further agrees that



upon the termination of his or her employment with Employer, for whatever reason, he or she shall return all tangible personal property of Employer, including but not limited to, all materials which refer to or contain any of the Confidential Information of Employer.

- e. Any inventions made or conceived entirely or partially by Employee while employed by Employer, for whatever reason, will be the property of Employer. Inventions include all creations whether or not patentable or copyrightable and all ideas, reports, or other creative works including without limitation computer programs, manuals, and related materials which relate to the existing or proposed business of Employer or any other business of research and development effort conducted by Employer. Employee will cooperate with Employer to patent or copyright all inventions by executing all documents tendered by Employer for the purpose of patenting or copyrighting Employee's inventions. This provision shall be construed in conformity with RCW 49.44.140. This provision does not apply to an invention for which no equipment, supplies, facilities, or trade secret information of Employer was used and which was developed entirely on Employee's own time unless: 1.) the invention relates directly to the business of Employer or 2.) the invention results from any work performed by Employee for Employer.
- f. This notice fulfills the requirements of RCW 49.44.140.

# 4. Non-Solicitation Covenants.

- a. For a period of two (2) year(s) from the effective date of Employee's termination of employment with Employer, for whatever reason(s) and irrespective of whether such termination is voluntary, Employee shall not, directly or indirectly, for or on behalf of any person (including him or herself), business, or entity (1) solicit any person that was a client of known prospective client of Employer during Employee's association with Employer; (2) solicit any person or entity with whom Employer maintains an employment or independent contractor relationship.
- b. For purposes of this Agreement, it is understood and agreed that "client" is defined to mean any entity or individual with whom Employer has or had an "ongoing business relationship." An "ongoing business relationship" is generally understood and agreed to mean: (1) services were provided by Employer to the entity or individual during the two (2) year period prior to the end or termination of Employee's employment with Employer; (2) the entity or individual had contracted for or ordered services from Employer as of the date of termination of Employee's employment with Employer; or (3) negotiations were in progress between the entity and Employer for the provision of services by Employer to the entity or individual on the date of termination or Employee's employment with Employer.
- c. For a period of two (2) years from the effective date of Employee's termination of employment with Employer, for whatever reason(s) and irrespective of whether such



termination is voluntary, Employee shall not directly or indirectly, induce or attempt to influence any employee of Employer to terminate their employment with Employer or to work for Employee or any other person or entity.

- d. Employee agrees that any period of their actual breach of this Agreement will toll and not count toward accounting for the restricted time period of the non-solicitation set forth in this Section 4.
- e. Employee agrees that the restrictions set forth in this Agreement are reasonable and necessary to protect the goodwill and legitimate business interests of Employer.
- 5. <u>Non-Compliance with Pre-Existing Agreements</u>. If the Employee is unable to perform the work listed in this agreement in any of the facilities that the company currently conducts business, namely Washington, Oregon, Idaho, and Alaska, and Montana due to an existing non-compete agreement from a previous employer, disqualification due to non-compliant vendor credentialing status, or some other cause, the Employer may choose to terminate this agreement or seek to amend it.
- 6. <u>Representation of Employee</u>: The Employee represents and warrants that neither the execution and delivery of this Agreement nor the performance of his duties hereunder violates the provisions of any other agreement to which he is a party or by which he is bound.
- 7. <u>Severability</u>. Each provision of this Agreement shall be interpreted where possible in a manner necessary to sustain its legality and enforceability. If any provision of this Agreement shall be unenforceable or invalid under applicable law, such provision or provisions shall be limited to the minimum extent necessary to render the same enforceable or valid. The unenforceability of any provision of this Agreement or any portion thereof shall not affect the enforceability of any other provisions of this Agreement, which provisions shall remain in full force and affect as if the unenforceable provisions had never existing in the first place.
- 8. <u>Entire Agreement</u>. This Agreement contains the entire agreement between the parties hereto with respect to the transactions contemplated herein and supersedes all previous representations, negotiations, commitments, and writing with respect thereto.
- 9. <u>Amendment or Alteration</u>: No amendment or alteration of the terms of this Agreement shall be valid unless made in writing and signed by all of the parties hereto.
- 10. <u>Waiver of Breach</u>. The waiver by any party hereto of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach by any of the parties hereto.



- 11. <u>Binding Effect</u>. The terms of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective personal representatives, heirs, administrators, successors, and permitted assigns.
- 12. <u>Governing Law and Venue</u>. This Agreement shall be governed by the laws of the State of Washington without regard to conflict of laws principles. All disputes arising out of this Agreement shall be resolved exclusively in the State of Washington. The venue for any controversy or claim rising out of or relating to this Agreement or the breach thereof shall be Lewis County, Washington.
- 13. <u>Injunctive Relief</u>. The Employee acknowledges that the injury to the Employer resulting from any violation by him of any of the covenants contained in this Agreement will be of such a character that it cannot be adequately compensated by money damages, and, accordingly, the Employer may, in addition to pursuing its other remedies, obtain an injunction from any court having jurisdiction of the matter restraining any such violation.
- 14. <u>Attorneys' Fees</u>. In the event suit or action is instituted to interpret or enforce the terms of this Agreement, the prevailing party shall be entitled to recover from the other party such sum as the court may adjudge reasonable as attorneys' fees in the preparation of its case at trial, on any appeal, and on any petition for review, in addition to all other sums provided by law.