

SECRECY AGREEMENT
Agreement as to Employment
Secrecy, Inventions and Other Property Rights

I, _____, hereby agree with Everett Charles Technologies, Inc., (hereinafter "ECT" or "the Company") in consideration of my entry into or continued employment with the Company, and of the pay I expect to receive, as follows:

TERMS OF AGREEMENT:

1. **Choice of Law.** This Secrecy Agreement ("Agreement") and any dispute arising from the relationship between the parties to this Agreement shall be governed by and construed under and according to the laws of the State in which I am principally employed.

2. **Definitions:**

a. **"Inventions"** means all discoveries, developments, designs, improvements, inventions, formulas, software programs, processes, techniques, know-how, negative know-how, data, research, techniques, and technical data (whether or not patentable or registrable under patent, copyright or similar statutes and including all rights to obtain, register, perfect, and enforce those proprietary interests) that are related to or useful in the Company's present or future business or result from the use of property owned, leased, or contracted for by the Company. "Inventions" shall include anything that derives actual or potential economic value from not being generally known to the public or to other persons who can obtain economic value from its disclosure or use.

b. **"Proprietary Information"** means information (a) that is not known by actual or potential competitors of the Company or is generally unavailable to the public, (b) that has been created, discovered, developed, or otherwise become known to ECT or in which property rights have been assigned or otherwise conveyed to ECT, and (c) that has material economic value or potential material economic value to ECT's present or future business. "Proprietary Information" shall include any information of a confidential or proprietary nature respecting any aspect of ECT's business, including but not limited to trade secrets (as defined under California Civil Code § 3426.1 or the applicable Uniform Trade Secrets Act or any applicable statutory or common law of the State in which the undersigned is principally employed) and all other discoveries, developments, designs, improvements, inventions, formulas, algorithms, software programs, processes, manufacturing techniques, know-how, negative know-how, data, research, techniques, technical data, writings and other works of authorship, illustrations, drawings, work in process, customer and supplier lists, and any modifications or enhancements of any of the foregoing, and all program, marketing, sales or other financial or business information disclosed to me by ECT, either directly or indirectly, in writing or orally or by drawings or observation, which has actual or potential economic value to ECT.

c. **"Rights"** means all patents, trademarks, service marks, copyrights and other indicia of ownership pertaining to Proprietary Information, Inventions, or both.

d. **"ECT"** means ECT and its successors and assigns.

3. **Duty of Loyalty to ECT.** I will, throughout my employment with ECT, devote the whole of my working time, attention and skill to the duties from time to time assigned to me by ECT, faithfully and diligently perform such duties, and use my best endeavors to promote ECT's interests, and I will not knowingly do any work for myself or any other person or concern that may compete with ECT or create a conflict of interest with my obligations under this Agreement or the work I perform for ECT. I shall promptly disclose to ECT's appropriate corporate officers or directors all business opportunities that are (i) presented to me in my capacity as an officer, representative or employee of ECT, or (ii) of a similar nature to the type of business in which ECT currently engages or has expressed an interest in engaging. I shall not usurp or take advantage of any such business opportunity without first offering such opportunity to ECT. My employment creates in me a duty of trust and confidentiality to ECT with respect to the Proprietary Information, Inventions, and any other information related to the current or future business of ECT.

4. **Nondisclosure of Proprietary Information.** At all times during the term of my employment, and thereafter until such time as such information comes into the public domain (through disclosure authorized in writing by ECT), I will hold in strictest confidence, until otherwise authorized in writing by ECT, any Proprietary Information generated or acquired by me during the term of my employment by ECT.

5. **Nondisclosure of Proprietary Information of Third Parties.** ECT has received and in the future will receive from third parties their confidential and proprietary information, subject to ECT's duty to maintain the confidentiality of such information and to use it only for certain limited purposes. I owe ECT and such third parties, during my employment and thereafter, a duty to hold all such confidential information or proprietary information in the strictest confidence, and I shall not disclose, use or induce or assist in the use or disclosure of any such confidential or proprietary information without ECT's prior express written consent, except as may be necessary in the ordinary course of performing my duties as an employee of ECT, consistent with ECT's agreement with such third party.

6. **Assignment of Intellectual Property Rights and Inventions.** For myself, my estate, representatives, and assigns, I do hereby assign to ECT, all my right, title and interest in and to any and all creations which are or may become legally protectible or recognized as forms of intellectual property rights, including all works in which copyright, design right, (whether registrable or not) or any form of intellectual property rights may subsist, all Inventions, designs, improvements, computer programs, algorithms, manufacturing techniques, writings, Proprietary Information, and other works of authorship, illustrations and drawings which I, either solely or jointly, have conceived, made or reduced to practice, or may hereafter conceive, make or reduce to practice during the time I am employed by ECT, whether or not during regular working hours, which relate to or touch upon my employment with ECT or any aspect of ECT's business, including but not limited to anything related to Proprietary Information (hereinafter referred to as "Assigned Material").

7. **Exception to Assignment of Rights.** Any provision in this Agreement requiring me to assign my Rights in all Inventions shall not apply to an Invention that qualifies fully as my property under the laws of the State in which I am principally employed. A specific example of such a statutory provision is California Labor Code § 2870. Any such statutory provision shall hereinafter be referred to as the "Specific Inventions Law". I understand that I bear the full burden of proving to ECT that an Invention qualifies fully as my property under the applicable

laws of the State of which I am principally employed. Despite the foregoing, I assign to the Company (or any other entity as directed by the Company) any Rights I may have or acquire in any Invention, full title to which is required to be in the government of the United States of America by a contract between ECT and the United States or any of its agencies.

8. **Disclosure of Inventions and Maintenance of Records.** I shall promptly disclose in writing to ECT all discoveries, developments, designs, improvements, inventions, formulas, algorithms, software programs, processes, manufacturing techniques, know-how, negative know-how, data, research, techniques, technical data, writings and other works of authorship, illustrations, drawings, work in process and any modifications or enhancements of any of the foregoing, made or conceived or reduced to practice or learned by me, either alone or jointly with others during the period of my employment, for the purpose of permitting ECT to determine whether they constitute Inventions or fall within the classification of Assigned Material. ECT shall receive such disclosures in confidence. To facilitate the complete and accurate disclosures described above, I shall maintain complete written records of all inventions and all work, study and investigation done by me during my employment, which records shall be ECT's property.

9. **Obligation to Disclose Inventions after Employment.** I will promptly disclose to ECT fully and in writing all Inventions and Proprietary Information, and any other inventions or intellectual property authored, conceived or reduced to practice by me, either alone or jointly with others, and all patent applications filed by me or on my behalf, within one (1) year after cessation of my employment with ECT. At the time of any such disclosure, I will advise ECT in writing of any inventions that I believe fully qualify for protection under the provisions of the Specific Inventions Law and any intellectual property which I developed solely without any information from ECT. I will provide at that time to ECT in writing all evidence necessary to substantiate that belief. It shall be presumed that such material was conceived by me during my period of employment with ECT unless proved by me to have been conceived and made by me following the cessation of my employment with ECT without the use of any proprietary or confidential information I obtained while working at ECT. ECT shall not use for any purpose or disclose to third parties without my consent any confidential information disclosed in writing to ECT pursuant to this Agreement relating to the inventions that qualify fully for protection under the Specific Inventions Law. I will preserve the confidentiality of any invention that does not fully qualify for protection under the Specific Inventions Law.

10. **Assistance to Protect Rights.** I shall assist ECT or any person designated by it in every proper way to obtain and enforce the Rights, including registrations and applications for patents, copyrights, other intellectual property rights in any and all countries. I agree for myself, my estate, heirs, executors, representatives, successors and assigns, to execute and deliver to ECT without additional compensation, but without expense to me, any and all instruments deemed desirable or necessary for ECT to apply for, prosecute, obtain, enforce and maintain all Rights assigned under this Agreement under the laws of the United States, and under all other appropriate countries and under all international conventions. My obligation to assist ECT or any person designated by it, in obtaining and enforcing the Rights, shall continue beyond the cessation of my employment. If ECT is unable, after reasonable effort, to secure my signature on any document or documents needed to apply for or enforce any Rights, whether because of my physical or mental incapacity or for any other reason whatsoever, I irrevocably designate and appoint ECT and its duly authorized officers and agents as my agents and attorneys-in-fact to act for and in my behalf and stead in the execution and filing of any such application and in

furthering the application for and enforcement of Rights, with the same legal force and effect as if such acts were performed by me. I acknowledge that all original works of authorship which are made by me (solely or jointly with others) within the scope of my employment and which are protectible by copyrights, are "works made for hire," as that term is defined in the United States Copyright Act, 17 U.S.C. § 1 *et seq.* It is understood that the election of whether or not to file any patent application or registered design application, in the United States or any other country in case of any disclosure submitted by me to ECT, and the manner of preparation and prosecution thereof, shall be wholly within the discretion of ECT, and at its expense.

11. **Potential Release of Rights.** I understand that I may petition in writing to ECT for a release of any Rights hereunder granted to ECT, and that ECT will promptly consider and act on such petition, but that ECT is not obligated to release any of its Rights.

12. **Inventions Retained by Employee.** I warrant and represent that, to the extent that any exist, all unpatented inventions, improvements and developments which I have made, invented or conceived prior to entering the employ of ECT, to which I now claim title, right and interest and which are to be specifically excluded from this Agreement, are completely described at Exhibit "A" to this Agreement, which by this reference is incorporated herein. The fact that there is no Exhibit "A" attached to this Agreement shall be conclusive evidence that no such matters exist.

13. **Secrecy:** At all times during my employment and after the cessation of my employment, whether the cessation is voluntary or involuntary:

a. I shall keep in strictest confidence and trust all Inventions and Proprietary Information.

b. I shall not disclose, use or induce or assist in the use or disclosure of any Inventions or Proprietary Information or Rights or anything related to any Proprietary Information or Rights, without ECT's prior express written approval, except as may be necessary in the ordinary course of performing my duties as an employee of ECT.

c. I shall not disclose any confidential information of ECT into the public domain such as may have the effect of causing such information to become part of the "prior art" and thereby prejudice any patent or registered design application of ECT in any jurisdiction.

14. **Unauthorized Release of Confidential Information by Others.** At all times during my employment, I shall promptly advise ECT of any knowledge that I may have of any unauthorized release or use of ECT's Inventions and Proprietary Information by others, and shall take reasonable measures to prevent unauthorized persons or entities from having access to, obtaining or being furnished with any Inventions or Proprietary Information.

15. **Removal of Company Property.** At no time, whether during or after my employment, will I copy or remove from ECT, without my supervisors express approval, any customer lists, drawings, notes, memoranda, manuals, specifications, devices, documents, electronic data, computer programs, or any Proprietary Information or Assigned Material which was used for the benefit of ECT. After employment I will not use any notes or memoranda, made within the scope of my duties while I was employed, for the purpose or benefit of myself or any person other than ECT.

16. **Return of Company Documents and Other Tangible Things.** On termination of employment for whatever reason, whether with or without cause, I shall not take nor allow a third party to take, and I shall deliver to ECT, all original copies and all reproductions of Inventions or Proprietary Information, including devices, records, sketches, reports, notebooks, proposals, lists, correspondence, equipment, documents, computer diskettes, photographs, negatives, undeveloped film, notes, drawings, specifications, tape recordings or other electronic recordings, programs, data or other materials or property of any nature belonging to ECT or pertaining to my work with ECT. I acknowledge that the unauthorized taking of any Inventions or Proprietary Information may be a crime under the laws of the State of my principal place of employment and may also result in civil liability under those laws.

17. **Survival of Representations; Exit Interview.** The terms and conditions of this Agreement shall continue to apply after termination of my employment. At the time of the termination of my employment, I shall attend an exit interview and shall sign and deliver the "Termination Certificate" attached to this Agreement as Exhibit "B." My failure to sign the Termination Certificate, however, shall not affect my obligations under this Agreement.

18. **Non-Solicitation of Employees.** To the extent such a prohibition is enforceable under the laws of the State in which I am principally employed, I acknowledge that now and for a period of one year after the cessation of employment for any reason, whether with or without cause, I shall not directly or indirectly, either alone or in concert with others, for my own benefit or for the benefit of any other person, firm, partnership, corporation or other entity, solicit or entice any employee of or consultant to ECT to leave ECT or to work for anyone in competition with ECT. *If the requirement that an employee agree not to solicit employees as a condition of employment is prohibited by the laws of the state in which I am principally employed, then this specific section of the Secrecy Agreement shall have no legal force or effect, and my signature on this Secrecy Agreement shall not be deemed to mean that I have been required to agree not to solicit ECT employees as a condition of employment.*

19. **Non-Solicitation of Customers or Suppliers.** To the extent such a prohibition is enforceable under the laws of the State in which I am principally employed, I acknowledge that now and for a period of one year after the cessation of employment for any reason, whether with or without cause, I shall not directly or indirectly, either alone or in concert with others, for my own benefit or for the benefit of any other person, firm, partnership, corporation or other entity, solicit, entice, or in any way cause any of ECT's customers or suppliers to do business with any business entity in competition with ECT. *If the requirement that an employee agree not to solicit customers or suppliers as a condition of employment is prohibited by the laws of the state in which I am principally employed, then this specific section of the Secrecy Agreement shall have no legal force or effect, and my signature on this Secrecy Agreement shall not be deemed to mean that I have been required to agree not to solicit ECT customers or suppliers as a condition of employment.*

20. **Covenant Not to Compete.** To the extent such a prohibition is enforceable under the laws of the State in which I am principally employed, I acknowledge that, now or following cessation of employment with ECT for any reason, I shall not compete with ECT's business, services or products in any manner where such business is conducted or such products or services are offered for a period of one year immediately following termination of employment. *If the requirement that an employee agree to a non-compete agreement as a condition of*

employment is prohibited by the laws of the state in which I am principally employed, then this specific section of the Secrecy Agreement shall have no legal force or effect, and my signature on this Secrecy Agreement shall not be deemed to mean that I have been required to agree to a non-compete agreement as a condition of employment.

21. **Notification to New Employer.** If I leave the employ of ECT, I understand and agree that ECT shall have the right to communicate to any future employer information concerning my continuing obligations under this Agreement. Additionally, I understand and agree that ECT shall have the right to communicate this same information to any of its customers or prospects with whom I might come in contact, whether on behalf of a prospective employer or on my own behalf, in the event I engage in self-employment of any kind.

22. **Supersedes.** I understand that this Agreement supersedes all earlier employee-invention agreements or understandings, if any, made between me and ECT, without eliminating or diminishing in any manner rights heretofore acquired by ECT.

23. **Representations and Warranties.** I represent and warrant that:

a. My performance of all terms of this Agreement and as an employee of ECT does not and will not breach any prior agreements with others to keep in confidence proprietary information acquired by me in confidence or in trust prior to my employment with ECT.

b. I have not and shall not enter into any agreement, either written or oral, in conflict with this Agreement.

c. I have not brought and will not bring to ECT, or use in my employment with ECT, any materials or documents of a former employer (which term shall include persons, firms, corporations and other entities for which I have acted as an independent contractor or consultant) that are not generally available to the public, unless I first obtain express written authorization from any such former employer for their possession and use.

24. **At-Will Employment.** I recognize and acknowledge that my employment is for an unspecified duration and constitutes "at-will" employment. ECT has and will continue to have the absolute and unconditional right to terminate my employment for any reason or no reason, with or without cause or prior notice. Similarly, I may terminate my employment with ECT at any time and for any reason. Nothing in this Agreement shall obligate ECT to continue to retain me as an employee. I acknowledge that there have been no representations to the contrary and that only a written statement signed by the President of ECT may change my status as an "at-will" employee.

25. **Remedies.** I acknowledge that irreparable injury will result to ECT from my violation of any of the terms of this Agreement. I expressly agree that ECT shall be entitled, in addition to damages and any other remedies provided by law, to an injunction or other equitable remedy respecting such violation or continued violation.

26. **Enforceability and Severability.** If a court or arbitrator of competent jurisdiction holds any provision of this Agreement to be illegal, unenforceable or invalid in whole or in part for any reason, the validity and enforceability of the remaining provisions, or portions of them, shall not be affected.

27. **No Waiver.** No waiver of a breach, failure of condition, or any right or remedy contained in or granted by the provisions of this Agreement shall be effective unless it is in writing and signed by the party waiving the breach, failure, right or remedy. No waiver by ECT of any breach, failure, right or remedy shall be deemed a waiver of any other breach, failure, right, or remedy, whether or not similar, nor shall any waiver constitute a continuing waiver unless the writing so specifies.

28. **Attorney Fees.** In any litigation, arbitration, or other proceeding by which one party either seeks to enforce its rights under this Agreement (whether in contract, tort or both) or seeks a declaration of any rights or obligations under this Agreement, the prevailing party shall be awarded reasonable attorney fees, together with any costs and expenses, to resolve the dispute and enforce the final judgment.

29. **Amendment and Modification.** This Agreement may be supplemented, amended or modified only by the mutual written agreement of the parties. No supplement, amendment or modification of this Agreement shall be binding unless it is in writing and signed by both ECT and me.

30. **Entire Agreement.** This Agreement and the exhibits referred to in this Agreement constitute the final, complete and exclusive statement of the terms of the agreement between the parties pertaining to the subject matter of this Agreement and supersede all prior and contemporaneous understandings or agreements of the parties. No party has been induced to enter into this Agreement by, nor is any party relying on, any representation or warranty outside those expressly set forth in this Agreement.

31. **Successors and Assigns.** This Agreement shall be binding on and shall inure to the benefit of the parties to this Agreement and their respective heirs, executors, administrators, representatives, successors and assigns.

32. **Exhibits.** The following exhibits constitute a part of this Agreement and are incorporated into this Agreement by this reference:

Exhibit A: Existing Inventions and Improvements

Exhibit B: Termination Certificate

Should any inconsistency exist or arise between a provision of this Agreement and a provision of any exhibit, the provision of this Agreement shall prevail.

33. **Headings.** The headings contained in this Agreement are for reference purposes only and shall not be used to limit or be used in any way to affect the meaning or interpretation of this Agreement.

34. **Effective Date.** This Agreement shall be effective as of the date of my signature hereto.

I HAVE READ ALL OF THIS AGREEMENT AND UNDERSTAND IT COMPLETELY, AND BY MY SIGNATURE BELOW REPRESENT THAT THIS AGREEMENT IS THE ONLY STATEMENT MADE BY OR ON BEHALF OF ECT UPON WHICH I HAVE RELIED IN SIGNING THIS AGREEMENT.

Employee Signature

Date

Signature of ECT Management Witness

Date

EXHIBIT A

EXISTING INVENTIONS AND IMPROVEMENTS

The following is a complete list of all unpatented inventions, improvements and developments that have been made or conceived of or first reduced to practice by me, alone or jointly with others, before employment by ECT:

NONE *

Employee Signature

*The word "NONE" should be crossed out and initialed by the employee if there are any inventions or improvements to be listed.

EXHIBIT B

TERMINATION CERTIFICATE

I, _____, certify as follows:

1. When I signed the attached Secrecy Agreement (the "Agreement") I read and understood the terms of the Agreement. I have now reviewed the Agreement again as part of my exit interview and fully understand the terms of the Agreement and my continuing obligations under the Agreement.

2. I have fully complied with the terms of the Agreement, including (a) the disclosure and assignment to Everett Charles Technologies (ECT) of any Inventions and Proprietary Information (as defined in the Agreement) covered by the Agreement, and (b) the return of any documents and other tangible materials of any nature pertaining to my employment with ECT, including all Proprietary Information.

3. I acknowledge and agree to comply with my continuing obligations under the Agreement, including my obligation not to use for personal benefit or disclose to others any Inventions or Proprietary Information.

4. I recognize that the unauthorized taking of any Inventions or Proprietary Information is a crime and that any unauthorized taking of any Inventions or Proprietary Information may also result in civil liability.

5. I acknowledge that I have been notified by ECT that in the event I accept a position with a competitor, or possible competitor of ECT, that ECT may advise my new employer or any of its customers and/or prospects of (a) the general nature or subject matter of the Inventions or Proprietary Information (without actually disclosing the details of such information) to which I had access while employed by the Company, and (b) my continuing obligations under the Agreement to keep such Inventions and Proprietary Information in strictest confidence and not to disclose or use such information without ECT's prior express written consent.

6. I agree that for one year from this date, I will not solicit, induce, recruit or encourage (a) any of ECT's employees to leave their employment or (b) any of ECT's customers to do business with any business entity in competition with ECT.

7. I understand and acknowledge that should I fail to comply with my obligations under the Agreement, ECT shall have, in addition to a right to damages, the right to obtain an injunction against me, including without limitation an injunction prohibiting me from disclosing Proprietary Information to a third party.

Signature of Employee

Date

Signature of Witness

Date