

Employment Agreement

I. INTRODUCTION

This Employment Agreement, dated _____, is between YOUR COMPANY NAME ("YOUR COMPANY NAME") and _____ ("Employee").

II. EMPLOYMENT

YOUR COMPANY NAME hereby employs Employee to render exclusive and full-time services to YOUR COMPANY NAME in the position of [NAME OF POSITION] under the terms and conditions provided by this Employment Agreement, and Employee hereby accepts such employment.

III. POSITION AND DUTIES

A. Position and Duties

Employee agrees to serve in the position of [NAME OF POSITION] subject to the direction of the Board of Directors of YOUR COMPANY NAME. Employee shall have such duties as the Board of Directors or the By-Laws of YOUR COMPANY NAME or the executive of YOUR COMPANY NAME with authority to act on such matters may prescribe.

B. Election to Board of Directors

Employee further agrees to accept election and to serve during all or any part of the term of this Employment Agreement as an officer or director of YOUR COMPANY NAME and of any subsidiary or affiliate of YOUR COMPANY NAME, without any compensation other than that specified in this Employment Agreement, if elected to any such position by the shareholders or by the Board of Directors of YOUR COMPANY NAME or of any subsidiary or affiliate of YOUR COMPANY NAME.

C. Location of Position

The duties to be performed by Employee shall be performed primarily at YOUR COMPANY NAME's office in Portland, Oregon, subject to reasonable travel requirements on behalf of YOUR COMPANY NAME.

D. Limitation on Outside Activities

During the term of employment, Employee shall devote full employment energies, interest, abilities and time to the performance of obligations hereunder and shall not, without the written consent of the [OPTIONAL:Chief Executive Officer or] Board of Directors of YOUR COMPANY NAME, render to others any service for any kind of compensation and, in addition, shall not engage in any activity which conflicts or interferes with the performance of duties hereunder.

IV. TERM

[CHOOSE FIXED TERM OR YEAR-TO-YEAR]

A. Fixed Term

The term of this employment shall be for a period commencing on [START DATE OF EMPLOYMENT], and ending on [END DATE OF FIXED TERM] ("Term"), unless earlier terminated under the provisions of this Employment Agreement.

[INSERT EITHER (i) OR (ii) BELOW.]

[i. Option to Renegotiate]

In the event that Employee continues in the employ of YOUR COMPANY NAME at the conclusion of the Term, such continued employment shall be subject to terms and conditions then negotiated.

[ii. Automatic Extension]

At the conclusion of the Term, Employee's term of employment under this Employment Agreement shall be automatically extended, without further act of the parties, for successive and consecutive twelve-month periods (unless earlier terminated under the provisions of this Employment Agreement) unless either YOUR COMPANY NAME or Employee serves written notice upon the other party of the termination of this Employment Agreement not less than *[NUMBER OF DAYS – 30, 60, 90, 120, whatever]* days prior to the expiration of the Term or any extension thereof.

B. Year-to-Year

The term of Employee's employment under this Employment Agreement shall commence on *[START DATE OF EMPLOYMENT]* and shall continue from year to year thereafter ("Term") unless earlier terminated under the provisions of this Employment Agreement unless either YOUR COMPANY NAME or Employee serves written notice upon the other party of the termination of this Employment Agreement not less than *[NUMBER OF DAYS – 30, 60, 90, 120, whatever]* days prior to the anniversary date of Employee's employment.

V. COMPENSATION

A. Salary

As compensation for all services to be rendered pursuant to this Employment Agreement, and as consideration for all covenants made by Employee in this Employment Agreement, YOUR COMPANY NAME agrees to pay to Employee, during the Term of this Employment Agreement, a salary at a fixed rate of \$ *[AMOUNT OF ANNUAL SALARY]* per annum. Such salary shall be earned monthly and shall be payable in periodic installments, but no less frequently than monthly, in accordance with the customary practices of YOUR COMPANY NAME. Amounts payable shall be reduced by deductions or amounts to be withheld as required by applicable state or federal laws and regulations and by deductions or amounts authorized by Employee. Except as otherwise stated herein, Employee's right to compensation shall terminate upon termination of this Agreement.

B. Reimbursement

YOUR COMPANY NAME shall pay or reimburse Employee for all reasonable expenses actually incurred or paid, upon presentation of expense statements, vouchers or other supportive information, in accordance with YOUR COMPANY NAME 's policies.

C. Additional Compensation

Nothing herein contained shall be construed to prevent YOUR COMPANY NAME from increasing Employee's salary hereunder during the term of this Employment Agreement, or from paying bonuses to Employee, in the discretion of the Board of Directors.

D. Other Benefits

Employee shall be entitled to and shall receive all other benefits and conditions of employment that YOUR COMPANY NAME may provide for him, or for its employees generally, including, without limitation, [*LIST BENEFITS*].

E. Vacation

Employee shall be entitled to [*CHOOSE (i) or (ii)*]: (i) a vacation period of [*NUMBER OF WEEKS*] weeks during each year of the Term] [(ii) such period of vacation as is provided from time to time pursuant to YOUR COMPANY NAME 's vacation policies].

F. Limitations

The provisions of this Employment Agreement relating to compensation to be paid to Employee shall be subject to and limited by any applicable provision of law or regulation which may from time to time restrict or limit the compensation to be paid hereunder.

VI. INDEMNIFICATION

YOUR COMPANY NAME will indemnify Employee, to the maximum extent permitted by applicable law, against all costs, charges and expenses reasonably incurred or sustained by Employee in connection with any action, suit or proceeding to which he may be made a party by reason of being an officer, director or employee of YOUR COMPANY NAME or of any subsidiary or affiliate of YOUR COMPANY NAME. Nothing contained in this Employment Agreement shall limit or preclude any other rights that YOUR COMPANY NAME shall otherwise have to indemnification from Employee or under insurance policies or indemnification maintained by YOUR COMPANY NAME.

VII. NOTICES

All notices, requests, consents and other communications required or permitted to be given hereunder, shall be in writing and shall be deemed to have been duly given if delivered personally or sent by prepaid telegram, or mailed first-class, postage prepaid, by registered or certified mail (notices sent by telegram or mailed shall be deemed to have been given on the date sent), as follows (or to such other address as either party shall designate by notice in writing to the other in accordance herewith): If to YOUR COMPANY NAME, to: [*INSERT ADDRESS OF YOUR COMPANY NAME*] If to Employee, to: [*INSERT ADDRESS OF EMPLOYEE*]

VIII. TERMINATION

A. Death

If Employee should die during the term of this Employment Agreement, the terms of this Employment Agreement shall terminate, except that Employee's legal representatives shall be entitled to receive the compensation provided for in this Employment Agreement to the last day of the month in which Employee's death occurs.

B. Disability

If at any time during the term of this Employment Agreement Employee shall

become totally or partially disabled, so that he is unable substantially to perform his services hereunder for a period of [*NUMBER OF DAYS*] consecutive days or on eighty percent (80%) or more of the normal working days during the preceding twelve (12) consecutive full calendar months then ending, YOUR COMPANY NAME may at anytime thereafter, by giving written notice to Employee (before Employee has recovered from such disability), terminate the term of Employee's employment. Notwithstanding such disability, YOUR COMPANY NAME shall continue to pay Employee a full salary up to and including the date of termination.

C. Notice

Either party to this Employment Agreement may terminate the term of Employee's employment hereunder by [*NUMBER OF DAYS*] days' prior written notice given by either party to the other at any time hereafter. Employee may terminate the term of this Employment Agreement upon [*NUMBER OF DAYS*] days' prior written notice where the termination is for cause, as defined in Section VIII.D of this Employment Agreement.

D. Termination for Cause

YOUR COMPANY NAME may terminate this Employment Agreement for cause after the Board of Directors of the Company shall have adopted a resolution specifying such cause, and after [*NUMBER OF DAYS*] days' prior written notice specifying the cause for such action shall have been rendered to the Executive.

"Cause" shall mean:

- a. Refusal to perform duties assigned in accordance with the terms of this Employment Agreement.
- b. Disobedience of orders or directives of YOUR COMPANY NAME's Board of Directors or willful and deliberate interference with the performance by other employees of YOUR COMPANY NAME of their duties.
- c. Dishonesty related to YOUR COMPANY NAME's business or its relationship with its employees, suppliers, or customers.
- d. Refusal or failure to furnish information concerning YOUR COMPANY NAME's affairs as requested by or under the authority of the Board of Directors, or falsification of such information.
- e. Conviction for commission of illegal acts in connection with the performance of duties under this Employment Agreement.
- f. Violation of this Employment Agreement.
- g. Violation of YOUR COMPANY NAME's rules, regulations or policies concerning conflict of interest. If YOUR COMPANY NAME terminates this Employment Agreement for cause under this Section, YOUR COMPANY NAME shall not be obligated to make any further payments under this Employment Agreement except amounts due at the time of such termination under Section V hereof.

IX. PROPRIETARY INFORMATION AND INVENTIONS

A. Exhibit A

Prior to employment by YOUR COMPANY NAME, and as a condition precedent to Employee's performance hereunder, Employee shall complete a Proprietary

Information and Inventions Agreement attached hereto as Exhibit "A" and incorporated herein by reference. Exhibit A is a list describing all inventions, processes, designs, technology, information, software, documentation, illustrations, artwork, photographs, trademarks, materials, original works of authorship, and trade secrets which were made by Employee prior to the commencement of Employee's employment (collectively referred to as "Prior Inventions"), which belong solely to Employee or belong to Employee jointly with another, which relate in any way to any of YOUR COMPANY NAME's businesses or services, and which are not assigned to YOUR COMPANY NAME by this Employment Agreement. If no such list is attached, there are no such Prior Inventions.

B. Assignment of Inventions

Employee hereby assigns to YOUR COMPANY NAME all his right, title and interest throughout the world in and to any and all inventions, processes, designs, technology, information, software, documentation, illustrations, artwork, photographs, trademarks, materials, original works of authorship, or trade secrets that Employee may solely or jointly conceive or develop or reduce to practice, during his employment with YOUR COMPANY NAME that (a) pertain to any business activity of YOUR COMPANY NAME; or (b) are aided by use of time, materials, Confidential Information or facilities of YOUR COMPANY NAME; or (c) relate to any of Employee's work for YOUR COMPANY NAME (collectively referred to as "Inventions"). Employee hereby assigns to YOUR COMPANY NAME all his right, title and interest throughout the world in and to any and all intellectual property rights associated with such Inventions, including, without limitation, patents, patent rights, copyrights, trademark rights, trade dress rights and trade secret rights. Employee will promptly make full written disclosure to YOUR COMPANY NAME of all Inventions and will hold all Inventions in trust for the sole right and benefit of YOUR COMPANY NAME. All copyrightable works made by Employee are, or shall be treated as, "works made for hire" to the greatest extent permitted by applicable law. Employee's assignment to YOUR COMPANY NAME of Inventions includes Inventions created during his employment with YOUR COMPANY NAME prior to the date of this Employment Agreement.

C. Moral Rights

Employee's assignment to YOUR COMPANY NAME of Inventions includes (a) all rights of attribution, paternity, integrity, disclosure and withdrawal, (b) any rights Employee may have under the Visual Rights Act of 1990 or similar federal, state, foreign or international laws or treaties, and (c) all other rights throughout the world sometimes referred to as "moral rights" (collectively "Moral Rights"). To the extent that Moral Rights cannot be assigned under applicable law, Employee hereby waives such Moral Rights to the extent permitted under applicable law and consent to any and all actions of YOUR COMPANY NAME that would otherwise violate such Moral Rights.

D. Intellectual Property Rights

Employee agrees to assist YOUR COMPANY NAME, to secure YOUR

COMPANY NAME's rights in the Inventions and any copyrights, patents, trademarks, or other intellectual property rights relating thereto in any and all countries. If YOUR COMPANY NAME is unable for any reason to secure Employee's signature to apply for or to pursue any application for any United States or foreign patents or copyright registrations covering Inventions assigned to YOUR COMPANY NAME, then Employee hereby irrevocably designates and appoints YOUR COMPANY NAME and its duly authorized officers as his agent and attorney in fact, to act for and in his behalf to execute and file any such applications and to do all other lawfully permitted acts to further the application for, prosecution, issuance, maintenance or transfer of letters patent or copyright registrations with the same legal force and effect as if originally executed by Employee.

X. CONFIDENTIALITY

A. Company Information

Employee agrees to hold in strict confidence, and not to use, except for the benefit of YOUR COMPANY NAME, or to disclose to any person or entity, any Confidential Information of YOUR COMPANY NAME that Employee obtains or creates. As used in this Employment Agreement, "Confidential Information" means any information disclosed by or relating to YOUR COMPANY NAME, whether of a technical, business or other nature (including, without limitation, trade secrets, know-how and information relating to the technology, clients, customers, business plans, marketing activities, finances, personnel matters and other business affairs of YOUR COMPANY NAME), that generally is not known to the public. Confidential Information may be contained in tangible materials, such as documents, drawings, reports, and computer programs, or may be in the nature of unwritten information. Confidential Information includes (a) information disclosed in documents; (b) information disclosed orally; (c) information that is observed; (d) information derived from Confidential Information disclosed to Employee; and (e) analyses, compilations, studies or other information or documents that are prepared by Employee that contain or reflect or are generated from information disclosed by YOUR COMPANY NAME.

B. Former Employer Information

Employee's performance of services for YOUR COMPANY NAME has not breached and will not breach any agreement to keep in confidence any confidential information belonging to any previous employer. Employee will not disclose to YOUR COMPANY NAME, or induce YOUR COMPANY NAME to use, any confidential information belonging to any previous employer of Employee.

C. Third Party Information

Employee recognizes that YOUR COMPANY NAME has received and in the future will receive confidential information from third parties subject to a duty of YOUR COMPANY NAME to keep such information in confidence and to use it only for certain limited purposes. Employee agrees to hold all such information in confidence and not to disclose it to any person or entity or to use it except as necessary in carrying out Employee's work for YOUR COMPANY NAME.

D. Returning Company Documents

At the termination of Employee's employment with YOUR COMPANY NAME, Employee will deliver to YOUR COMPANY NAME any and all records, notes, reports, correspondence, equipment, documents or property, developed by Employee in connection with his relationship with YOUR COMPANY NAME, or otherwise belonging to YOUR COMPANY NAME, or that contain any Confidential Information of YOUR COMPANY NAME. Any property on YOUR COMPANY NAME's premises and owned by YOUR COMPANY NAME, including computer storage media and filing cabinets, is subject to inspection by YOUR COMPANY NAME at any time without notice. Upon the termination of the relationship, Employee agrees to sign and deliver the "Termination Certification" attached hereto as Exhibit B.

XI. NONCOMPETITION

A. Noncompetition

Employee agrees that he will not, for a period of [*NUMBER OF YEARS –1, 2, or 3*] years from the date he ceases to be employed by YOUR COMPANY NAME, join, control or participate in the ownership, management, operation or control of or be connected with in any manner, any business located in [*GEOGRAPHICAL RANGE*] whose commercial products are in competition with YOUR COMPANY NAME or which is developing products which will be in competition with YOUR COMPANY NAME, unless released from such obligation by the Board of Directors of YOUR COMPANY NAME. Employee agrees that he shall be deemed to be connected with such business if such business is carried on by a partnership in which he is a general or limited partner or employee or a corporation or association of which he is a shareholder, officer, director, employee, member, consultant or agent; provided, that nothing herein shall prohibit the purchase or ownership by him of shares of less than five percent (5%) in a publicly or privately held corporation.

B. Nonsolicitation

Employee agrees not to employ or attempt to employ, directly or indirectly, or cause to be employed by another, any person who is at any time during the year prior to the termination of his employment relationship a management employee, officer or director of YOUR COMPANY NAME or any of its subsidiaries or affiliates nor form any partnership with or establish any business venture in cooperation with such person, without express written consent of the Board of Directors of YOUR COMPANY NAME. Employee agrees not to solicit any client or customer of YOUR COMPANY NAME with respect to any services or products similar to the services or products offered by YOUR COMPANY NAME for a period of twelve (12) months following termination of Employee's employment with YOUR COMPANY NAME.

C. Consent to injunction

Employee agrees that YOUR COMPANY NAME will or would suffer an irreparable injury if he were to compete with the business of YOUR COMPANY NAME or any of its subsidiaries in violation of this agreement and that YOUR COMPANY NAME would by reason of such competition be entitled to injunctive

relief in a court of appropriate jurisdiction, and Employee stipulates to the entering of such injunctive relief prohibiting him from competing with YOUR COMPANY NAME or any present subsidiary or affiliate of YOUR COMPANY NAME in connection with the business of YOUR COMPANY NAME, in violation of this Employment Agreement.

D. Notification to Other Parties

Should Employee's employment with YOUR COMPANY NAME ends for any reason, Employee hereby consents to notification by YOUR COMPANY NAME to his new employer about his obligations under this Employment Agreement.

E. Severability

The parties intend that the covenants contained in this section be deemed to be separate covenants as to each county and state, and that if in any judicial proceeding a court shall refuse to enforce all of the separate covenants included herein because, taken together, they cover too extensive a geographic area or because any one includes too large an area or because they cover too long a period of time, the parties intend that such covenants shall be reduced in scope to the extent required by law or, if necessary, eliminated from the provisions hereof, and that all of the remaining covenants hereof not so affected shall remain fully effective and enforceable.

XII. GENERAL PROVISIONS

A. Governing Law

This Employment Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Oregon applicable to agreements made and to be performed entirely in Oregon. The parties hereto consent to jurisdiction and venue in the courts of the County of Multnomah, State of Oregon.

B. Section Headings

The article and section headings contained herein are for reference purposes only and shall not in any way affect the meaning or interpretation of this Employment Agreement.

C. Entire Agreement

This Employment Agreement sets forth the entire agreement and understanding of the parties relating to the subject matter hereof. No representation, promise or inducement has been made by either party that is not embodied in this Employment Agreement, and neither party shall be bound by or liable for any alleged representation, promise or inducement not so set forth.

D. Assignability

This Employment Agreement, and Employee's rights and obligations hereunder, may not be assigned by Employee. YOUR COMPANY NAME may assign its rights, together with its obligations, hereunder in connection with any sale, transfer or other disposition of all or substantially all of its business or assets; in any event the obligations of YOUR COMPANY NAME hereunder shall be binding on its successors or assigns, whether by merger, consolidation or acquisition of all or substantially all of its business or assets.

E. Modification

This Employment Agreement may be amended, modified, superseded, cancelled, renewed or extended, and the terms or covenants hereof may be waived, only by a written instrument executed by both of the parties hereto, or in the case of a waiver, by the party waiving compliance. The failure of either party at any time or times to require performance of any provisions hereof shall in no manner affect the right at a later time to enforce the same. No waiver by either party of the breach of any term or covenant contained in this Employment Agreement, whether by conduct or otherwise, in any one or more instances shall be deemed to be, or construed as, a further or continuing waiver of any such breach, or a waiver of the breach of any other term of covenant contained in this Employment Agreement.

F. Attorneys' Fees

If suit or action is instituted to enforce any of the terms of this Employment Agreement, or if any appeal is taken from any decision rendered hereunder, the prevailing party shall be entitled to recover from the other parties such sum as the court may adjudge reasonable for legal fees in connection with such suit or action, or appeal therefrom in addition to all other sums provided for by law.

G. Severance

If any provision of this Employment Agreement is or becomes invalid, illegal or unenforceable, the remaining provisions shall remain in full force and effect, and for the invalid, illegal or unenforceable provision shall be substituted a valid, legal and enforceable provision which shall be as similar as possible in economic and business objectives as intended by the parties.

YOUR COMPANY NAME

By:

Its:

[Employee]

Exhibit A

**LIST OF PRIOR INVENTIONS
AND ORIGINAL WORKS OF AUTHORSHIP
EXCLUDED FROM SECTION IX**

Title

Date

Identifying Number
or Brief Description

___ No inventions or improvements

___ Additional Sheets Attached

Signature of Employee/Consultant: _____

Print Name of Employee/Consultant: _____

Date: _____

Exhibit B

TERMINATION CERTIFICATION

This is to certify that I do not have in my possession, nor have I failed to return, any records, data, reports, drawings, sketches, materials, equipment, other

documents or property, or copies or reproductions of any aforementioned items belonging to YOUR COMPANY NAME, its subsidiaries, affiliates, successors or assigns (together "YOUR COMPANY NAME"). I further certify that I have complied with all the terms of Sections IX and X of the Employment Agreement, including the reporting of any inventions and original works of authorship, conceived or made by me (solely or jointly with others) covered by that agreement. I further agree that, in compliance with the terms of Sections IX and X of the Employment Agreement, I will preserve as confidential all trade secrets, confidential information, data, and other information relating to trade secrets, know-how, designs, computer programs, data bases, other original works of authorship, client lists, customer lists, business plans, financial information or other subject matter pertaining to any business of YOUR COMPANY NAME or any of its customers. I further agree that for twelve (12) months from the date of this Certificate, I shall not either directly or indirectly solicit, induce, recruit or encourage any of YOUR COMPANY NAME's employees or consultants to terminate their relationship with YOUR COMPANY NAME, or attempt to solicit, induce, recruit, encourage or take away employees or consultants of YOUR COMPANY NAME, either for myself or for any other person or entity. Further, for a period of twelve (12) months from the date of this Certificate, I shall not solicit any customer of YOUR COMPANY NAME with respect to any business, products or services that are competitive to the products or services offered by YOUR COMPANY NAME or under development as of the date of termination of my Relationship with YOUR COMPANY NAME.

(Employee's Signature)

(Type/Print Employee's Name)

(Date)