

**CONFIDENTIALITY AGREEMENT
NONSOLICITATION AGREEMENT AND INVENTION ASSIGNMENT**

This **CONFIDENTIALITY AGREEMENT, NONSOLICITATION AGREEMENT AND INVENTION ASSIGNMENT AND COVENANT NOT TO COMPETE OR SOLICIT** ("Agreement") is entered into by and between Preferred Therapy Services. ("Employer") and _____ ("Employee"), collectively referred to as "the Parties."

1. **Confidential Matters.** Employer promises to disclose to Employee and Employee acknowledges that in and as a result of his/her employment by Employer, he/she will receive, be making use of, acquiring, and/or adding to confidential information of a special and unique nature and value relating to such matters as Employer's trade secrets and proprietary and confidential business information, including but not limited to: any and all materials and information (including materials and information relating to patients) received or learned by Employee pursuant to, or in connection with his/her employment, including business and financial information, referral sources, patient lists, patient files work files, and trade secrets of Employer (all of which are referred to collectively herein as "Confidential Matters"). Employee further agrees that if a third party (e.g., vendors, customers and manufacturers) contracts with Employer, the information obtained or received from a third party including, but not limited to, its patents, copyrights, proprietary information, trade secrets, systems, product development, procedures, manuals, and confidential reports will be treated in the same manner and subject to the same protection as other Confidential Matters.

(a) Employee acknowledges that Employer does not voluntarily disclose Confidential Matters, but rather takes precautions to prevent their dissemination except pursuant to suitable confidentiality safeguards. Employee further acknowledges that Confidential Matters (1) are secret and not known in the industry; (2) have been and will be entrusted to Employee because Employee is a fiduciary of Employer; (3) have been and will be developed by Employer and/or Employee for and on behalf of Employer through substantial expenditures of time, effort, and money and are and will be used in Employer's business; (4) give Employer an opportunity to obtain an advantage over competitors who do not know or use the Confidential Matters; and (5) are of such value and nature as to make it reasonable and necessary for Employee and Employer to protect and preserve the confidentiality and secrecy of the Confidential Matters.

(b) Employee acknowledges and agrees that the Confidential Matters are valuable, special, and unique assets of Employer, the disclosure of which could cause substantial injury and loss of profits and good will to Employer. The Confidential Matters to be prepared or compiled by Employee and/or Employer or furnished to Employee prior to or during Employee's term as an employee of Employer shall be the sole and exclusive property of Employer and shall not be removed under any circumstances from the premises without the prior written consent of the President of Employer. Upon the separation of Employee's employment with Employer, all documents and things related to Confidential Matters shall be returned to Employer as soon as practicable and none shall be retained by Employee, including any copies.

(c) As a condition of employment and continued employment, Employee shall keep confidential all such confidential and proprietary information that Employee learns or acquires as a result of his employment with Employer, and shall not at any time, without prior approval of the President of the Employer, directly or indirectly make known, divulge, use, furnish, or reveal to any person, firm, company, corporation, or anyone else any of the Confidential Matters or any knowledge or information with respect thereto, or otherwise use such information for any purpose whatsoever. Employee promises that Employee will take all steps necessary to safeguard all Confidential Matters and to prevent their use, disclosure, or dissemination to any other person or entity.

(d) Employee further agrees that in the event Employee is subpoenaed, served with any legal process or notice, or otherwise requested to produce or divulge, directly or indirectly, any Confidential Matters by any entity, agency, or person in any formal or informal proceeding, including, but not limited to, any interview, deposition, administrative or judicial hearing, and/or trial, upon Employee's receipt of such subpoena, process, notice, or request, Employee shall immediately notify and deliver a copy of the subpoena, process, notice, or request to the President of Employer (the "President"). Employee further irrevocably nominates, constitutes, and appoints Employer (specifically including any attorney retained by Employer) as Employee's true and lawful attorney-in-fact, to act in Employee's name, place, and stead to do and perform any act which Employee might perform, including to institute, prosecute, defend, quash, compromise, settle, arbitrate, release, and dispose of any and all legal, equitable, or administrative hearings, actions, suits, attachments, subpoenas, claims, levies, or other proceedings, or otherwise engage in or defend any and all litigation in connection with or relating to any request to disclose, directly or indirectly, any Confidential Matters; provided, however, that Employer shall be under no obligation to act as Employee's attorney-in-fact and may decline to do so upon written notice to Employee.

2. **Covenant Not to Solicit.** As a material inducement for receiving the trade secrets and confidential and proprietary information described in Section 1 and as a condition of continued employment, Employee agrees that during the term of his/her employment and for a period of **twelve (12) months** after the separation date of Employee's employment with Employer, for whatever reason, he/she shall not, directly or indirectly, without written approval of the President, solicit or induce, or attempt to solicit or induce, any employee or contractor of Employer to alter, leave or cease their relationship with Employer, for any reason whatsoever,

3. **Work Product:** "**Work Product**" means all materials and information, including patient files, referrals, referral sources, physicians, daycares, etc. documents created, developed, authored, conceived, reduced to practice, made, discovered, and/or delivered by Employee, solely or in collaboration with others, in connection with this Agreement and all intellectual property rights in and to the foregoing. Without limiting the terms and conditions of Section 1, all Work Product shall be "work made for hire" under the U.S. Copyright Act, as amended. To the extent that any Work Product is not Employer's exclusive property by operation of law, Employee assigns, transfers, and conveys to Employer all right, title, and interest in and to the Work Product, including all intellectual property rights in and to the Work Product. If Employee has any rights that cannot be assigned to Employer, Employee waives the enforcement of such rights, and if Employee has any rights that cannot be assigned or waived, Employee grants to Employer an irrevocable, perpetual, paid-up, royalty free, exclusive, transferable, sub-licensable,

world-wide, and unlimited license with respect to such rights. Employee acknowledges and agrees that there are, and may be, future rights that Employer may otherwise become entitled to with respect to the Work Product that do not yet exist, as well as new uses, media, means, and forms of exploitation throughout the universe exploiting current or future technology yet to be developed, and Employee specifically intends the foregoing assignment of rights to Employer to include all such now known or unknown uses, media, and forms of exploitation throughout the universe. Employer and Employee acknowledge and agree that the intent of this Section 3 is to convey to Employer all rights of an exclusive owner of the Work Product. Employee acknowledges and agrees that this Agreement does not give, or allow Employee to retain, any rights whatsoever in property of Employer, including the Work Product.

4. **Enforcement & Severability.** The Parties intend all provisions of this Agreement to be enforced to the extent permitted by law. Accordingly, should a court of competent jurisdiction determine that the scope of any provision of this Agreement is too broad to be enforced as written, the Parties intend for the court to reform the provision to such narrower scope as it determines to be reasonable and enforceable. If, however, any provision of this Agreement is held to be illegal, invalid, or unenforceable, the provision shall be severed and this Agreement shall be construed and enforced as if such illegal, invalid, or unenforceable provision were never a part of it and the remaining provisions shall remain in full force and effect.

5. **Stipulations.** Employee stipulates and agrees that (1) adequate consideration exists for Employee's promise to abide by the terms of this Agreement; (2) the restrictive covenants are necessary to ensure the preservation and continuity of Employer's business and goodwill; (3) the time period(s) of the respective restraints are reasonable temporal restraints; (4) the scope of the activities restricted by this agreement is reasonable; (5) the customer-specific restraint set forth herein is a more reasonable limitation than any territorial limitation; and (6) the enforcement of any of the restrictive covenants will not interfere with Employee's ability to earn a livelihood.

6. **Non-Waiver of Breach.** One or more waivers of a breach of any term or provision of this Agreement by either party shall not be construed as a waiver of a subsequent breach of the same term or provision, nor shall it be considered a waiver of any other then existing or subsequent breach of a different term or provision.

7. **Entire Agreement.** This Agreement constitutes the entire Agreement of the Parties and supersedes all prior and contemporaneous negotiations and agreements, oral or written. All prior and contemporaneous negotiations and agreements are deemed incorporated and merged into this Agreement and are deemed to have been abandoned if not so incorporated. No representations, oral or written, are being relied upon by either party in executing this Agreement other than the express representations of this Agreement. This Agreement cannot be changed or terminated without the express written consent of the Parties.

8. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, except where preempted by federal law.

9. **Counterparts.** This Agreement may be executed in multiple counterparts, each of which constitutes an original, but all of which constitute one document.

10. **Headings.** The headings in this Agreement are for reference purposes only and shall not in any way affect the meaning and interpretation of this Agreement.

10. **At-Will Employment.** Employee and Employer acknowledge and agree that Employee is employed AT-WILL. They further acknowledge and agree that this Agreement is not a contract of employment and that nothing in this Agreement is intended or is to be construed to alter in any way the AT-WILL EMPLOYMENT RELATIONSHIP between Employee and Employer or to guarantee or promise Employee continued employment with Employer for any specified period of time. Employee shall be free to terminate employment with Employer at any time, for any reason or for no reason, and Employer shall likewise be free at all times to terminate its employment relationship with Employee for any reason, or for no reason.

Dated: _____

By: _____
EMPLOYEE

Dated: _____

PREFERRED THERAPY SERVICES.

By: _____
President