**[COMPANY NAME]**

**EMPLOYMENT AGREEMENT**

**(Hourly Employee)**

THIS AGREEMENT is entered into as of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_\_, by and between **[COMPANY NAME]** (“Employer”), and \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, (“Employee”).

In consideration of the mutual promises and covenants contained in this Agreement, the parties agree as follows:

* 1. **DEFINITIONS.** For purposes of this Agreement, the following definitions shall apply:
     1. **“Inventions”** shall mean all inventions, improvements, modifications, and enhancements, whether or not patentable, made by Employee within the scope of Employee’s duties during Employee’s employment by Employer.
     2. **“Work Product”** shall mean all documentation, software, creative works, duties during Employee’s employment by Employer, whether or not copyrightable or otherwise protectable, excluding Inventions.
     3. **“Trade Secrets”** shall mean all documentation, software, know-how and information relating to the past, present or future business of Employer and/or Client or any plans therefore, or relating to the past, present or future business of a third party or plans therefore which are disclosed to Employer, which Employer protects against disclosure or third parties; provided, however, Trade Secrets shall not include the general knowledge and experience obtained by the Employee during his employment Employer.
     4. **“Client”** shall mean \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.
     5. **“Customer”** shall mean any person or entity that Employer contracts with and/or performs services for, including Client.
  2. **EMPLOYEMENT AND DUTIES.** The Employer employs the Employee and the Employee accepts employment upon the terms and conditions of this Agreement. Employee shall perform such duties assigned to him/her from time to time by Employer and shall devote such time to Employer’s business as Employer deems reasonable. Employee fully and completely understands and accepts his/her obligations under this Agreement.

* 1. **TERM.** The term of employment shall begin on the \_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_\_\_, and shall continue until terminated at the will of Employer or by Employee upon five (5) days’ prior written notice to Employer. **Employee acknowledges that he/she may be terminated at the will of Employer at any time with or without cause.**

* 1. **COMPENSATION.**
     1. For all services rendered by Employee hereunder, Employee shall receive compensation in the amount of $\_\_\_\_\_\_\_\_\_\_\_\_\_\_ per hour, payable every two (2) weeks. Hours in excess of forty (40) hours per week shall be paid at the rate of one and one-half (1½) times the hourly rate.
     2. Employee shall submit a signed time card to Employer at the end of each week. Said time card shall be in ink. If Employee is co-located, Employee shall telephone Employers office no later than nine (9) o’clock a.m. on Monday and report the hours worked for the previous week.
     3. If Employee fails to inform Employer of the hours worked, as set forth in “(b)” hereof, Employee’s payment may be delayed. In the event Employee reports his/her hours worked by telephone, Employee will not be paid until Employer received a signed time card.
     4. Employees shall only be compensated for hours actually worked. Holidays observed by Employer or “Client,” regularly scheduled days off, etc. will not be compensated for.

* 1. **VACATION AND OTHER BENEFITS.**
     1. Employer and Employee considered holidays and vacations when they agreed upon the hourly rate and Employee agrees that he/she shall not be paid for holidays, vacations, and other days not worked.

* + 1. If Employer offers life insurance and/or disability insurance on Employees, Employee shall be eligible for same.
    2. If Employer offers life insurance and/or disability insurance on Employees, and Employee becomes eligible for same, Employer shall keep such insurance in effect on Employee for a period of thirty (30) days following termination of this Agreement. In the event Employer and Employee enter into another employment agreement during said thirty (30) day period, the insurance will continue in force during the time said subsequent agreement is in effect.

Employee acknowledges that all Employees have to be employed by Employer for a certain period of time (“waiting period”) before they become eligible for any insurance provided by Employer. It is the intent of Employer and Employee will be immediately eligible for any insurance offered by Employer if he/she enters into another employment agreement with Employer on or before thirty (30) days following the termination of this contract. That is, that in such an event, any insurance for which Employee may become eligible will remain in effect, and Employee will only have to go through the initial waiting period in conjunction with his/her initial agreement with Employer.

Employee specifically understands that if he/she does not enter into another employment agreement within thirty (30) days following the termination of this agreement, he/she will have to go through another waiting period to be eligible for insurance.

* + 1. **EXCEPT AS SET FORTH IN THIS PARAGRAPH FOUR (4), EMPLOYEE SHALL NOT BE ENTITLED TO ANY BENEFITS, IF ANY, OFFERED BY EMPLOYER TO OTHER EMPLOYEES. SPECIFICALLY, BUT NOT LIMITING THE GENERALITY OF THE FOREGOING SENTENCE, EMPLOYEE SHALL NOT BE ENTITLED TO ANY MEDICAL INSURANCE THAT MAY BE OFFERED BY EMPLOYER.**
  1. **EMPLOYEE’S OBLIGATIONS CONCERNING INVENTIONS AND WORK PRODUCT.**
     1. Employees shall promptly disclose all Inventions to Employer and keep reasonable records relating to the conception and reduction to practice of all Inventions. Such records shall be the sole and exclusive property of Employer and/or Client, as Employer may determine, and the Employee shall surrender possession of such records to Employer upon his/her termination of employment.
     2. Employee hereby assigns to Employer, without additional consideration to Employee, the entire right, title and interest in and to the Inventions and Work Product shall be deemed to be a "work made for hire." The Employee shall execute all such assignments, oaths, declarations and other documents as may be prepared by Employer to affect the foregoing.
     3. Employee shall provide Employer with all reasonable information, documentation and assistance that Employer may request to perfect, enforce or defend the proprietary rights in or based on the Inventions, Work Product or Trade Secrets. Employer in its sole discretion, shall determine the extent of the proprietary rights, if any, to be protected in or based on the Inventions and Work Product. If Employer elects not to protect the proprietary rights in the Employee, subject to Employer retaining a fully paid-up, irrevocable and unlimited license therein. All such information, documentation and assistance shall be provided at reasonable compensation to the Employee.

* 1. **EMPLOYEE OBLIGATIONS CONCERNING TRADE SECRETS.**

* + 1. During the period of employment with Employer and thereafter, the Employee shall not disclose Trade Secrets to others without the prior written permission of Employer or use them for any purpose other than for the performance of services for Employer.

* + 1. Employer represents that Trade Secrets are its sole and exclusive property. The Employee shall surrender to Employer possession of all Trade Secrets in the Employee’s possession upon termination of Employee’s employment by Employer. If after termination of Employee’s employment Employee becomes aware of any Trade Secrets in his/her possession, Employee shall use reasonable efforts to return such Trade Secrets to Employer.

* 1. **COMPETITIVE ACTIVITES.** During the period of Employee’s employment with Employer, Employee shall not:
     1. Perform any direct services for any person or entity competing directly with Employer which will adversely affect Employer.
     2. Compete directly with any products or service marketed or offered by Employer.

* 1. **ACKNOWLEDGEMENTS.** Employee acknowledges that in addition to the definition of Trade Secrets heretofore set forth:
     1. Employer’s services are highly specialized.
     2. The identity and particular needs of Employer’s Clients are not generally known in their industry.
     3. Employer has a proprietary interest in its Client lists.
     4. Documents and other information regarding Employer’s sales methods, pricing and costs, as well as information pertaining to Employer’s Clients, including, but not limited to, identity, location, service requirements, and charges to the Clients, are highly confidential and constitute trade secrets.
  2. **DOCUMENTS.** Under no circumstances shall Employee remove from Employer’s office any of Employer’s and/or Client’s books, records, documents, or Client lists, or any copies of such documents, without prior written consent; nor shall Employee make any copies of such books, records. Documents, or Client lists for use outside of Employer’s office, except as specifically authorized in writing by Employer.

* 1. **RESTRICTIVE COVENANTS.** Employees agree that:
     1. For a period of twenty-four (24) months after Employee’s employment has been terminated for any reason, regardless of whether the termination is initiated by Employer or Employee, Employee will not, directly or indirectly, solicit any person, company, firm or corporation who is or was a Client of Employer during a period of five (5) years prior to the termination of Employee’s employment. Employee agrees not to solicit such Clients on behalf of himself/herself or any other person, firm, company, or corporation.
     2. The Employee agrees that for a period of three (3) month after the termination of his employment with Employer, regardless of whether the termination was initiated by Employer or Employee, he/she will not, directly or indirectly, request a Client to employ him/her, accept employment with, or act as a consultant, contractor, advisor, or in any other capacity for a Client.
     3. Employee further acknowledges that:
        1. in the event his employment with Employer terminates for any reason, regardless of whether the termination is initiated by Employer or Employee, he will be able to earn a livelihood without violating the foregoing restrictions; and
        2. his ability to earn a livelihood without violating such restrictions is a material condition of his employment with Employer.
  2. **REMEDIES.** Employee acknowledges that:
     1. Compliance with Paragraphs 6 through 11 herein is necessary to protect the Employer’s business and good will;
     2. A breach of those Paragraphs will irreparably and continually damage Employer; and
     3. An award of money damages will not be adequate to remedy such harm.

Consequently, Employee agrees that, in the event he/she breaches or threatens to breach any of these covenants, Employer shall be entitled to both:

* + - 1. a preliminary or permanent injunction in order to prevent the continuation of such harm; and
      2. liquidated damages in an amount equal to the weekly compensation multiplied by four (4) together with all reasonable costs and attorneys’ fees incurred by the Employer in enforcing the provisions of this Agreement. Nothing in this Agreement, however, shall prohibit Employer from also pursuing any other remedy.

* 1. **INDEMNIFICATION.** Employee shall indemnify and hold Employer harmless from any and all liability, loss, damage or expense resulting form Employee’s negligence or failure to perform his/her duties under this Agreement.

* 1. **DISCLOSURE OF AGREEMENT TERMS.** Employee agrees that he/she will not disclose the terms of this Agreement, or any prior Agreement he/she may have had with Employer to any other employee, officer or agent of Employer or to any employee, officer or agent of Client.

* 1. **CONTINGENCY.** Employee acknowledges that Employer anticipates entering into a contract with Client or has entered into a contract with Client.
     1. Employer and Employee agree that this Agreement shall not be effective and shall be deemed null and void in the event Employer and Client do not enter into a contract on or before ten (10) days after the date of this Agreement.
     2. Employer and Employee agree that this Agreement shall terminate at the time that the contact with Client terminates.
     3. Employer and Employee agree that this Agreement shall be deemed in full force and effect at the time Employee commences work on Client’s contract.

* 1. **WAIVER OF RIGHTS.** If, in one or more instances, either party fails to insist that the other party perform any of the terms of this Agreement, such failure shall not be construed as a waiver by such party of any past, present, or future right granted under this Agreement, and the obligations of both parties under this Agreement shall continue in full force and effect.

* 1. **TERMINATION OF AGREEMENT.** This Agreement shall terminate pursuant to Paragraph 3 or upon any one of the following events:
     1. The mutual agreement of the parties.
     2. The expiration of thirty (30) days after a petition in bankruptcy has been filed by or against Employer, assuming such petition is not dismissed during the thirty (30) day period.
     3. The voluntary or involuntary dissolution of Employer.

* + 1. The termination of the contract with Client.

* + 1. If for any reason Employee does not perform any services for Employer in connection with Employer’s contract with Client for a period of thirty (30) consecutive days.

* 1. **SURVIVAL.** The obligations contained in this Agreement shall survive the termination of this Agreement. In addition, the termination of this Agreement shall not affect any of the rights or obligations of either party arising prior to, or at the time of, the termination of this Agreement, or which may arise by any event causing the termination of this Agreement.

* 1. **ASSIGNMENT.** Neither party shall have the right to assign any rights or obligations under this Agreement without the prior written approval of the other party.

* 1. **SERVERABLILTY.** If any provision, paragraph, or subparagraph of this Agreement is adjudged by any court to be void or unenforceable in whole or in part, this adjudication shall not affect the validity of the remainder of the Agreement, including any other provision, paragraph, or subparagraph. Each provision, paragraph, and subparagraph of this Agreement is separable form every other provision, paragraph, and subparagraph, and constitutes a separate and distinct covenant.

* 1. **APPLICABILITY.** This Agreement shall be binding upon, and shall inure to the benefit of, the parties and their respective successors, assigns, executors, administrators, and personal representatives.

* 1. **NOTICE.** Any notice to be given to Employee shall be sent by registered or certified mail, return receipt requested, to Employee at his/her last known residence address. Any notice to be given to Employer shall be sent by registered or certified mail, return receipt requested, to Employer at its offices at [EMPLOYERS ADDRESS]. Either party may change the address to which notices are to be sent by so notifying the other party in writing as set forth in this Paragraph. If mailed as provided in this Agreement, notice shall be deemed to have been given as of the date of mailing. Any required notice may also be given by personal delivery to the party requiring notice and securing a written receipt of same.

* 1. **COMPLETE UNDERSTANDING.** This Agreement constitutes the complete understanding between the parties, all prior representations or agreements having been merged into this Agreement.

* 1. **ATTORNEYS’ FEES.** If either party to this Agreement breaches any of the terms hereof, that party shall pay to the non-defaulting party all of the non-defaulting party’s costs and expenses, including attorneys’ fees, incurred by that party in enforcing the terms of this Agreement.

* 1. **MODIFICATION.** No alteration of or modification to any of the provisions of this Agreement shall be valid unless made in writing and signed by both parties.

* 1. **HEADINGS.** The headings have been inserted for convenience only and are not to be considered when construing the provisions of this Agreement.

* 1. **GOVERNING LAW.** This Agreement shall be subject to and governed by the laws of the State of Colorado.

IN WITNESS whereof the parties have executed this Agreement as of the date first above provided.

EMPLOYER:

**[COMPANY NAME]**

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

President

EMPLOYEE:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**EMPLOYEE ACKNOWLEDGEMENT**

I acknowledge that I am an at-will employee, and that my employment can be terminated at any time, with or without cause, at either my option or the option of Employer. I understand that only the president of Employer can enter into an employment contract for a defined duration. I further acknowledge that oral statements will not be binding on Employer and that no interviewer, supervisor, or any other employee has the authority to bind Employer to any sort of implied contract or in any other manner.

EMPLOYEE:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_