

**CONFIDENTIALITY, NON-COMPETE, NON-SOLICITATION, AND ANTI-PIRACY
AGREEMENT**

This AT WILL CONFIDENTIALITY, NON-COMPETE, NON-SOLICITATION, AND ANTI-PIRACY AGREEMENT (“Agreement”) is entered into as of this ____ day of _____, 20____, by and between TeamCraft Roofing, Inc. (“TCR”)¹ and _____ (“Employee”).

RECITALS:

A. Employee has been offered employment or is currently employed with TCR.

B. Employee desires to be employed or continue to remain employed by TCR.

C. TCR has expended and will expend significant resources to develop and acquire information that is confidential and proprietary and that gives TCR a competitive advantage in its business. TCR has expended and will expend significant resources recruiting and training its employees, including Employee. TCR has expended and will expend significant resources in developing its client relationships.

D. TCR is providing to Employee compensation, training, opportunity, and other benefits, including the disclosure of Confidential Information to Employee, to facilitate Employee in the performance of Employee’s duties.

IT IS THEREFORE AGREED that in consideration of the mutual promises contained in this Agreement, and of other good and valuable consideration, including the employment or continued employment of Employee by TCR, the receipt and sufficiency of which is hereby acknowledged, the parties hereto, intending to be legally bound, agree as follows:

1. **At-Will Employment.** Employee’s employment with TCR is at-will and both Employee and TCR reserve their rights to terminate this employment at any time, for any reason or for no reason, with or without notice, and with or without cause.
2. **Compliance with TCR’s Policies, Practices, and Procedures.** Employee shall comply with TCR’s policies, practices, and procedures, whether they be oral or in writing, as they exist and as they may be adopted or changed from time to time, as TCR deems it to be in its best interests to do so, to the extent that such policies, practices, and procedures are not inconsistent with the terms of this Agreement.
3. **Compliance with Applicable Laws.** Employee shall comply with all applicable laws, ordinances, regulations, rules, and statutes (collectively the “Applicable Laws”) of all federal, state, and local government entities (and any agencies, departments, and political subdivisions thereof) including but not limited to applicable laws and regulations related to: (a) safety and health; (b) construction, (c) any and all employment/immigration laws; and (d) any other

¹The term “TeamCraft Roofing, Inc.” or “TCR” includes TeamCraft Roofing, Inc. and all parents, subsidiaries, predecessors, successors, assigns, and affiliated companies/entities.

TCR's initials

Employee's Initials

governing laws or regulations. Employee agrees to be respectful in all communications and shall not violate federal or state antidiscrimination, antiharassment and no retaliation laws.

4. **Confidentiality.** Employee acknowledges that during the course of Employee's employment, Employee will have access to or obtain proprietary, confidential, sensitive, secret, or trade secret information of TCR and its customers or clients. Employee understands that TCR is involved in a highly competitive industry and that the success of its business depends upon the confidentiality of such information. Employee understands that TCR is placing in Employee substantial trust and confidence to hold such information confidential.

(a) **Confidential Information.** Employee agrees to keep in strictest confidence, during and subsequent to Employee's employment, all information identified as proprietary, confidential, or secret, or that, from the circumstances, in good faith and good conscience, ought to be treated as proprietary, confidential, or secret including but not limited to the identity, addresses, and phone numbers of TCR's clients, prospective clients, consultants, referral sources, business associates, vendors, or suppliers; client data; pricing and/or rates of transactions historically made by clients; pricing data; discounts given to clients; sources of supply; subscriber agreements; supplier and subcontractors lists, including client lists; information about those clients, including client correspondence, memos, or research, information related to their financial situation, insurance, business activities, and other information; information about TCR's unique service methods, products, sales, services, policies, practices, plans, financial matters, sales figures, accounts, business activities, business plans, business methods, contracts and contracting, contract bidding and pricing, strategic planning, merchandising systems or plans, marketing and distribution techniques, selling techniques and prices, promotional materials, pricing and marketing structure and strategy, product specifications, training courses, training and instructional materials, employment compensation, employee benefit documentation, health plan documentation, payroll information forms, computer software, files, data, designs, drawings, compositions, formulae, computer programs, research projects, specifications, and processes; and any other information concerning TCR's business or operations or any of TCR's clients, employees, shareholders, investors, or business associates (all information referred to in this paragraph, whether acquired prior or subsequent to the date hereof, is collectively referred to as "Confidential Information").

(b) **Publication and Use.** Except as instructed by TCR and in the course of performing Employee's duties for TCR, Employee will not use any of TCR's Confidential Information and, without the prior written consent of TCR, will not directly or indirectly publish, communicate, divulge, disclose, disseminate, furnish, make available, or describe to any unauthorized person any such Confidential Information during the period of Employee's employment and at any time after employment ends, without limitation as to when or how Employee may have acquired such information.

(c) **Return of Confidential Information and TCR Property.** Upon termination of Employee's employment with TCR, Employee shall return or cause to be returned to TCR all property of TCR, including but not limited to all documents, records, including the names, addresses, and other information pertaining to TCR's clients, and similar compilation of such Confidential Information, including copies, whether in the form of paper or electronic media, all pricing books, computers, electronics, cellular phones, training and instructional materials,

vendor and product information, samples of work, work product and all other service information and equipment, and any and all other property belonging to TCR. Furthermore, Employee shall not attempt to reproduce such records on paper, electronic media, verbally, by memory, or otherwise.

(d) **Continuation of Duties.** Employee's duties of confidentiality shall survive termination of Employee's employment.

5. **Protection of TCR's Information, Property, and Interests.** Employee and TCR acknowledge that Employee will acquire much knowledge and information, including but not limited to Confidential Information, concerning TCR's business and clients as a result of Employee's employment. Employee and TCR further acknowledge that the scope of business in which TCR is engaged is very competitive, that such business is one in which few companies can compete successfully, and that competition by Employee in that business would severely injure TCR. TCR and Employee agree that TCR has a legitimate business interest in protecting its Confidential Information, its relationships with current and prospective clients, vendors, and referral sources, and the good will associated with TCR by way of its trade name, trademark, and specific marketing area. TCR and Employee agree that the nature of TCR's business requires the restrictions set forth below and that the restrictions are reasonably necessary for the protection of TCR's business and are not unreasonably restrictive of Employee's ability to earn an appropriate livelihood or to engage in any professional employment in which Employee is presently engaged.

(a) **Non-Competition.** Employee agrees that during the term of Employee's employment with TCR and for the Restricted Period, defined below, Employee shall not, directly or indirectly, without the prior written consent of TCR's Owner, own, manage, operate, be employed by, render services to, solicit customers or contracts for, or engage in any business activities that are the same or substantially similar to TCR's business activities within the Restricted Area.

(b) **Non-Solicitation.** Employee agrees that during the term of Employee's employment with TCR and for the Restricted Period, defined below, Employee shall not, directly or indirectly, solicit, induce, or encourage, or assist in any way or in any capacity, any person, firm, association, partnership, corporation, or other entity in soliciting, inducing, or encouraging any client, prospective client, or referral source of TCR whom Employee serviced, with whom Employee worked or otherwise had contact, or about whom Employee acquired non-public information while employed by TCR, to terminate its business relationship with TCR or to purchase from any business that is in competition with TCR any product or service that competes directly with any product or services provided by TCR.

(c) **Restricted Period and Restricted Area.** The Restricted Period for purposes of this Section 5 shall be the one (1) year immediately following the termination of Employee's employment. If a court or arbitrator finds that a one (1) year Restricted Period is not reasonably necessary to protect the legitimate business interests of TCR, the Restricted Period shall be ten (10) months immediately following any termination of employment, except that if a court or arbitrator finds that a ten (10) month Restricted Period is not reasonably necessary to protect the

TCR's
Initials

3

Employee's Initials

legitimate business interests of TCR, the Restricted Period shall be eight (8) months immediately following any termination of employment.

The Restricted Area for purposes of this Section 5 shall be the metropolitan area(s) in which employee solicited or serviced clients on behalf of TCR in the twelve (12) month period prior to the termination of Employee's employment, except that if a court or arbitrator finds that the metropolitan area(s) in which the employee solicited or services clients on behalf of TCR is not reasonably necessary to protect the legitimate business interests of POS, then the Restricted Area shall extend to a radius of thirty (30) miles from the TCR office to which Employee was assigned, except that if a court or arbitrator finds that the metropolitan area(s) in which the employee solicited or services clients on behalf of TCR is not reasonably necessary to protect the legitimate business interests of POS, then the Restricted Area shall extend to a radius of twenty (20) miles from the TCR office to which Employee was assigned.

(d) **Anti-Piracy.** During Employee's employment, and for a period ending one (1) year after the termination of Employee's employment with TCR, Employee shall not directly or indirectly solicit, entice, induce, encourage or in any manner influence any person who is, or shall be, in the service of TCR to leave such service for the purpose of engaging in business or being employed by or associated with any person, firm, client, former client, association, partnership, corporation, or other entity that is in competition with TCR.

6. **Reasonableness of Restrictions.** Employee acknowledges that the restrictions of Sections 4 through 5 of the Agreement are reasonable and necessary for the protection of the trade secrets, confidential information, client relationships, and other legitimate business interests of TCR. Employee acknowledges that the restrictions of sections 4 through 5 do not prevent Employee from engaging in Employee's profession following the termination of Employee's employment with TCR, but instead merely prevent Employee from disclosing or using the trade secrets, confidential information, client relationships, and other legitimate business interests and property of TCR for the benefit of a competitor at any time in the future. Employee acknowledges that TCR will compensate Employee during the term of this Agreement for Employee to acquire knowledge and develop client relationships for the benefit and on behalf of TCR. Employee acknowledges that after the termination of this Agreement, it will take TCR time and expense to replace Employee and to maintain the client relationships and information that Employee will acquire while employed by TCR. Employee agrees that the restrictions of sections 4 through 5 are reasonable in order to enable TCR, through the use of other personnel, to replace Employee and maintain TCR's client relationships and information.

7. **Length of Time Periods.** The length of the Restricted Period in this Agreement is a material term and represents consideration for the benefits provided by TCR. Any period of time during which Employee is in violation of Employee's covenants under this Agreement shall operate to extend the duration of the Restricted Period for the same length of time during which Employee is in violation.

8. **Non-Disparagement.** Employee will use Employee's best efforts at all times to promote and protect the good name and reputation of TCR and any officer, member, employee, or representative of TCR or its affiliates. Employee agrees that during the term of this Agreement, and at any time thereafter, Employee will not make or communicate any comments or other

TCR's
Initials

4

Employee's Initials

remarks that are negative or derogatory to TCR or that would tend to disparage, slander, ridicule, degrade, harm, or injure TCR (or any business relationship of TCR) or any officer, member, employee, or representative of TCR or its affiliates, nor will Employee engage in any unfair trade practices with respect to TCR.

9. **Remedies and Enforcement.** Employee acknowledges that this Agreement serves a valuable purpose, and that any violation of any provision of this Agreement will cause irreparable harm and immeasurable damage to TCR. Employee agrees that upon Employee's breach of this Agreement, TCR shall be entitled to specific performance of this Agreement, and TCR shall be entitled to an injunction or other equitable relief restraining Employee from violating the provisions of this Agreement. However, nothing provided in this paragraph shall be construed as limiting in any way TCR's remedies for any breach, including the recovery of damages from Employee. In the event of legal action arising out of or related to this Agreement, the prevailing party in such action shall be entitled to recovery of its reasonable attorneys' fees and costs from the non-prevailing party. Such fees and costs are to be determined by the court and not by a jury. This Agreement shall be construed as an Agreement independent of any other agreement with TCR, and the existence of any claim or cause of action of Employee against TCR shall not constitute a defense to the enforcement by TCR of this covenant.

10. **Entire Agreement.** This Agreement and any agreement to which it is appended or incorporated contains the entire understanding and agreement concerning the employment arrangement between the parties. No other representations, promises, or agreements, oral or written, not herein contained, shall be of any force or effect. This Agreement supersedes, and cannot be varied, contradicted, or supplemented by, evidence of any prior or contemporaneous discussions, correspondence, or oral or written agreements of any kind. Any modification or waiver of any term of this Agreement, including a modification or waiver of this term, must be in writing and signed by the party to be bound by such modification or waiver.

11. **Governing Law.** This Agreement shall be governed by, interpreted under, and construed and enforced in accordance with the laws of the State of Arizona without giving effect to any choice or conflict of law provision or rule (whether of the State of Arizona or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Arizona. Any action or proceeding concerning this Agreement shall be commenced in Maricopa County, Arizona, and the parties irrevocably consent to personal jurisdiction and venue in Maricopa County, Arizona.

12. **Severability.** If any one or more of the provisions or parts of a provision contained in this Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity or unenforceability shall not affect any other provision or part of a provision of this Agreement, but this Agreement shall be reformed and construed as if such invalid, illegal, or unenforceable provision or part of a provision had never been contained herein and such provisions or part thereof shall be reformed so that it would be valid, legal, and enforceable to the maximum extent permitted by law. If in any judicial proceeding a court shall refuse to enforce any covenant herein as to geographical scope or duration or both, the parties agree that the court may modify or "blue pencil" alternate provisions that it deems to be more reasonable and enforceable by the court. Any such reformation shall be read as narrowly as possible to give the maximum effect to the mutual intentions of TCR and Employee.

TCR's
Initials

5

Employee's Initials

13. **Modification, Waiver and Extension.** No change, modification, or extension of this Agreement shall be valid or binding upon Employee or TCR, nor shall any waiver of any term or condition be so binding, unless such change, modification, extension, or waiver is in writing and signed by both Employee and TCR. No waiver of any agreement or provision herein contained shall be deemed a waiver of any preceding or succeeding breach thereof or of any other agreement or provision herein contained. No extension of time for performance of any obligations or acts shall be deemed an extension of time for performance of any other obligations or acts. No failure or delay by TCR in the exercise or enforcement of any right hereunder shall create any custom or constitute a waiver thereof, nor shall any single or partial exercise of any right preclude other or further exercise thereof or of any other right.

14. **Authority and Reliance.** Each party for that party's self, heirs, personal representatives, successors, and assigns, hereby represents and warrants that the party has the full capacity and authority to enter into, execute, deliver, and perform this Agreement, that such execution, delivery, and performance does not violate any contractual or other duty or obligation by which that party is bound, and that this Agreement constitutes an agreement binding upon and enforceable against that party. Each party acknowledges that this Agreement is written in a manner that is fully understandable to the party, and the party has had an opportunity to consult with counsel. Each party is entering into this Agreement in reliance on each party's own judgment, and not in reliance on any statements made by the other party. Each party warrants and represents that the party is not relying on counsel for any other party for the performance of any task, provision of any service, or rendering of any advice for any purpose whatsoever, but instead is relying solely and exclusively on the party's own counsel for all matters relating to the terms of this Agreement.

15. **No Construction against Either Party.** The parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement. Any reference to any federal, state, local, or foreign statute shall be deemed to refer to all rules and regulations promulgated thereunder, unless the context requires otherwise. The word "including" means including, without limitation. The parties intend that representations, warranties, and covenants contained herein shall have independent significance. If any party has breached any representation, warranty, or covenant contained herein in any respect, the fact that there exists another representation, warranty, or covenant relating to the same subject matter (regardless of the relative levels of specificity) that the party has not breached shall not detract from or mitigate the fact that the party is in breach of the first representation, warranty, or covenant.

16. **Employee Compliance with Pre-Existing Agreements.** To the extent that Employee is subject to any agreement or understanding with any other person or business entity that might affect the performance of Employee's duties as an employee of TCR, Employee warrants that Employee has provided copies of all such written agreements or understandings to TCR and has made any unwritten understandings known to TCR via appropriate documentation. Employee acknowledges that TCR wants Employee to abide by any valid agreements Employee may have previously made and acknowledges that TCR does not wish to interfere with Employee's duties under any such prior agreements. Employee warrants that during Employee's term of

TCR's
Initials

Employee's Initials

employment with TCR, Employee will not breach or violate any agreement or understanding to which Employee is subject through the performance of Employee's duties as an employee of TCR. Employee agrees that, during the term of employment with TCR, Employee will not improperly use or disclose any proprietary information or trade secrets of Employee's former employers or companies with which Employee has come in contact, if any, and Employee will not bring onto the premises of TCR any unpublished document or any property belonging to Employee's former employers or companies, if any, unless consented to in writing by such employers or companies.

THIS AGREEMENT, IN EXCHANGE FOR THE EMPLOYMENT AND/OR CONTINUED EMPLOYMENT OF EMPLOYEE BY TCR AND THE MUTUAL AGREEMENTS DESCRIBED HEREIN CONTAIN CERTAIN RESTRICTIONS ON THE EMPLOYEE'S ACTIVITIES AND THE EMPLOYEE'S USE OR DISCLOSURE OF CERTAIN INFORMATION OF TCR AND ITS AFFILIATES, BOTH DURING AND FOLLOWING THE EMPLOYEE'S EMPLOYMENT BY TCR EMPLOYEE HEREBY EXPRESSLY REPRESENTS AND WARRANTS THAT EMPLOYEE'S EXPERIENCE AND CAPABILITIES ARE SUCH THAT NONE OF THE PROVISIONS OF THIS AGREEMENT WOULD PREVENT EMPLOYEE FROM EARNING A LIVELIHOOD FOLLOWING TERMINATION OF EMPLOYEE'S EMPLOYMENT BY TCR.

After reading and understanding this Agreement, Employee and TCR have executed this Agreement effective as of the date contained herein.

EMPLOYER:

EMPLOYEE:

TEAMCRAFT ROOFING, INC.

Name (Print)

Signature

Title: _____

Signature

Date: _____

Date: _____

TCR's
Initials

7

Employee's Initials