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Confidentiality and Invention Assignment Agreement

THIS CONFIDENTIALITY AND INVENTION ASSIGNMENT AGREEMENT (Agreement) is entered into on _____ 2006 between ***GNS Network Services, Inc., dba Global Network Services*** and its affiliated companies (collectively, the Company), and _____ (Employee).

In consideration of the commencement of Employee's employment and the compensation paid to Employee, Employee hereby acknowledges and agrees with the Company as follows:

Part 1. Effective Date

This Agreement shall become effective on the earlier of (1) commencement of Employee's employment with the Company, or (2) the date and time at which any Confidential Information (as defined in Section 2.1 below) was or is first disclosed to Employee.

Part 2. Protection of Company's Confidential Information; Noncompetition

2.1 Confidential Information. The Company has and will develop, compile, and own certain proprietary techniques and confidential information that have great value in its business (said techniques and information are referred to in this Agreement collectively as "Confidential Information"). The Company has and will also have access to Confidential Information of its Clients. (Clients shall mean any persons or entities for whom the Company performs services or from whom the Company or Employee obtains information). Confidential Information includes not only information disclosed by the Company or its Clients to Employee in the course of his or her employment, but also information developed or learned by Employee during the course of his or her employment with the Company, such as Inventions (as defined in Section 4.1 below). Confidential Information is to be broadly defined. Confidential Information includes all information that has or could have commercial value or other utility in the business in which the Company or Clients are engaged or in which they contemplate engaging. Confidential Information also includes all information of which the unauthorized disclosure could be detrimental to the interests of the Company or Clients, whether or not such information is identified as Confidential Information by the Company or Clients. By example and without limitation, Confidential Information includes, but is not limited

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to, Company customer lists, checklists, teaching techniques, processes, formulas, trade secrets, inventions, discoveries, improvements, research and development and testing results, specifications, data, know-how, formats, forms, marketing and business plans, strategies, forecasts, unpublished financial information, memos, notes, meeting content, budgets, projections, customer computer topology, customer username and passwords, any customer contact information, customer data, customer software configuration, customer maintenance schedules and fees, customer point of contact, software developed by company, company documentation such as unique quote, proposal, and billing formats, checklists developed by company, company reseller information and vendor lists, company contractors & subcontractors, customer system design, customer data, customer & supplier identities, characteristics, and agreements.

2.2. Protection of Confidential Information. Employee agrees that at all times during or after his or her employment, he or she will hold in trust, keep confidential, and not disclose to any third party or make any use of the Confidential Information of the Company or Clients except for the benefit of the Company or Clients and in the course of his or her employment with the Company. Employee further agrees not to cause the transmission, removal, or transport of Confidential Information or Inventions from the Company's principal place of business at 1820 Gateway Drive, Suite #150, San Mateo, California, or such other place of business specified by the Company, without prior written approval of the President of the Company (the President). Employee acknowledges that he or she is aware that the unauthorized disclosure of Confidential Information of the Company or its Clients may be highly prejudicial to their interests, an invasion of privacy, and an improper disclosure of trade secrets. Whenever the approval, designation, specification, or other act of the President is required under this Agreement, the President may, by written designation, authorize an agent of the Company to perform such act.

2.3. Noncompetition During Employment. Except with the express prior written consent of the President, Employee agrees that he or she will not, during the period of his or her employment with the Company: (1) engage in any employment or activity other than for the Company in any business in which the Company is engaged or contemplates engaging; (2) induce any other employee of or consultant to the Company to engage in any such employment or activity; or (3) solicit any Clients or potential Clients of the Company for services similar to those performed by the Company even though not directly competitive with such services.

Part 3. Prior Knowledge and Relationships

3.1 Prior Knowledge and Inventions. Except as disclosed on Schedule A to this Agreement, Employee does not know anything about the Company's Confidential Information, other than the information he or she has learned from the Company. Employee has also disclosed on Schedule “A” a complete list of all Inventions proprietary to Employee and which Employee wants to exclude from the application of this Agreement. The Company agrees to receive and hold all such disclosures in confidence.

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3.2 Prior Commitments. Employee has no other agreements, relationships, or commitments to any other person or entity that conflict with Employee's obligations to the Company under this Agreement.

3.3 Proprietary information or Trade Secrets of Others. Employee will not disclose to the Company, or use, or induce the Company to use, any proprietary information or trade secrets of others. Employee represents and warrants that he or she has returned all property and confidential Information belonging to all prior employers.

Part 4. Assignment of Employee Inventions

4.1 Disclosure. Employee will promptly disclose in writing to the Company all discoveries, developments, designs, ideas, improvements, inventions, formulas, processes, techniques, know-how, and data (whether or not patentable or registerable under copyright or similar statutes) made, conceived, reduced to practice, or learned by Employee (either alone or jointly with others) during the period of his or her employment, that are related to or useful in the business of the Company, or which result from tasks assigned to Employee by the Company, or from the use of premises owned, leased, or otherwise acquired by the Company (all of the foregoing are referred to in this Agreement as Inventions).

4.2 Assignment of Inventions. Employee acknowledges and agrees that all Inventions belong to and shall be the sole property of the Company and shall be Inventions of the Company subject to the provisions of this Agreement. Employee assigns to the Company all right, title, and interest Employee may have or may acquire in and to all Inventions. Employee agrees to sign and deliver to the Company (either during or subsequent to his or her employment) such other documents as the Company considers desirable to evidence the assignment of all rights of Employee, if any, in any Inventions to the Company and the Company's ownership of such inventions. Any provision in this Agreement requiring Employee to assign rights to an Invention does not apply to any invention that qualifies under California Labor Code §2870, which section is reproduced in the attached Written Notification to Employee.

4.3 Power of Attorney. In the event the Company is unable to secure Employee's signature on any document necessary to apply for, prosecute, obtain, or enforce any patent, copyright, or other right or protection relating to any Invention, whether due to mental or physical incapacity or any other cause, Employee hereby irrevocably designates and appoints the Company and each of its duly authorized officers and agents as his or her agent and attorney-in-fact, to act for and in his or her behalf and stead to execute and file any such document and to do all other lawfully permitted acts to further the prosecution, issuance, and enforcement of patents, copyrights, or other rights or protections with the same force and effect as if executed and delivered by the Employee.

Part 5. Termination of Employment

5.1 Delivery of Documents and Data on Termination of Employment. In the event of termination (voluntary or otherwise) of Employee's employment with the

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Company, Employee agrees, promptly and without request, to deliver to and inform the Company of all documents and data pertaining to his or her employment and the Confidential Information and Inventions of the Company or Clients, whether prepared by Employee or otherwise coming into his or her possession or control, and to sign Schedule B to this Agreement. Employee will not retain any written or other tangible material containing any information concerning or disclosing any of the Confidential Information or Inventions of the Company or Clients. Employee recognizes that the unauthorized taking of any of the Company's trade secrets is a crime under California Penal Code §499(c) and is punishable by imprisonment in a state prison or in a county jail for a time not exceeding one year, or by a fine not exceeding five thousand dollars ($5000), or by both such fine and such imprisonment. Employee acknowledges that knowingly accessing and extracting data from a computer system without authorization is a violation of Penal Code § 502(c)(2), that unauthorized taking of the Company's trade secrets could result in civil liability under California's Uniform Trade Secrets Act (Civil Code §§3426-3426.11), and that willful misappropriation may result in an award against Employee for triple the amount of the Company's damages and the Company's attorneys' fees in collecting such damages.

5.2 Obligations of Employee After Termination – Non-Solicitation of Clients, Employees and Contractors. In the event of termination (voluntary or otherwise) of Employee's employment with the Company, Employee agrees that he or she will protect the value of the Confidential Information and Inventions of the Company and Clients and will prevent their misappropriation or disclosure. Employee will not disclose or use to his or her benefit (or the benefit of any third party) or to the detriment of the Company or its Clients any Confidential Information or Invention. Employee further agrees that for a period of one year immediately following termination (voluntary or otherwise) of Employee's employment with the Company, Employee shall not interfere with the business of the Company, either directly or in concert with others, by soliciting, enticing, inducing or in any way diverting an employee to leave the Company's employ, or by soliciting, enticing, inducing or a consultant to sever the consultant's relationship with the Company. Employee further agrees, for a period of one year after termination of employment, whether with or without cause, directly or indirectly, either alone or in concert with others, solicit, entice, induce or in any way divert any of the Company's customers or clients using proprietary information to do business with any business entity in competition with Company.

Part 6. Additional Provisions

6.1 Injunctive Relief. Because Employee's breach of this Agreement may cause the Company irreparable harm for which money is inadequate compensation, Employee agrees that the Company will be entitled to injunctive relief to enforce this Agreement, in addition to damages and other available remedies.

6.2 Attorneys' Fees. If any action is necessary to enforce this Agreement, the prevailing party shall be entitled to recover its attorneys' fees.

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6.3 Understanding. Employee acknowledges and agrees that the protections set forth in this Agreement are a material condition to his or her employment with and compensation by the Company.

6.4 Amendment and Binding Effect. This Agreement may not be amended except by an instrument in writing signed by both parties. This Agreement shall be binding on the heirs, executors, administrators, and other legal representatives and assigns of Employee, and is for the benefit of the Company and its successors and assigns.

6.5 Governing Law. This Agreement shall be governed by the laws of the State of California.

6.6 Entire Understanding. This Agreement expresses the entire understanding of the parties about the described subject matter.

6.7 Cumulative Remedies. Each and all of the several rights and remedies provided for in this Agreement shall be cumulative. No one right or remedy shall be exclusive of the others or of any right or remedy allowed in law or in equity. No waiver or indulgence by the Company of any failure by Employee to keep or perform any promise or condition of this Agreement shall be a waiver of any preceding or succeeding breach of the same or any other promise or condition. No waiver by the Company of any right shall be construed as a waiver of any other right. The Company shall not be required to give notice to enforce strict adherence to all terms of this Agreement.

6.8 Severability. If a court finds any provision of this Agreement invalid or unenforceable as applied to any circumstance, the remainder of this Agreement and the application of such provision to other persons or circumstances shall be interpreted so as best to effect the intent of the parties hereto. The parties further agree to replace any such void or unenforceable provision of this Agreement with a valid and enforceable provision that will achieve, to the extent possible, the economic, business, and other purposes of the void or unenforceable provision.

6.9 Employment at Will. Employment and compensation can be terminated, with or without cause, and with or without notice, at any time, at the option of the Company or the Employee. Nothing contained in this Confidentiality Agreement shall limit or otherwise alter the foregoing.

CAUTION: THIS AGREEMENT AFFECTS YOUR RIGHTS TO INVENTIONS YOU MAKE DURING YOUR EMPLOYMENT, AND RESTRICTS YOUR RIGHT TO DISCLOSE OR USE THE COMPANY'S CONFIDENTIAL INFORMATION DURING OR SUBSEQUENT TO YOUR EMPLOYMENT.

EMPLOYEE HAS READ THIS AGREEMENT CAREFULLY AND UNDERSTANDS ITS TERMS. EMPLOYEE HAS COMPLETELY FILLED OUT SCHEDULE A TO THIS AGREEMENT AND HAS RECEIVED A COPY OF THE WRITTEN NOTIFICATION TO EMPLOYEE CONTAINING CALIFORNIA LABOR CODE §2870.

See following signature page

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Signature page:

Dated: _____, 200X

_____
Employee

Address for Notifications:

_____
_____
_____

Dated: _____, 200X

_____
President

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Schedule A. Employee Statement

1. Confidential Information. Except as set forth below, I acknowledge at this time that I know nothing about the business or the Confidential Information or Inventions of the Company or its Clients, except information that has been disclosed to me by the Company or its Clients (if none, so state): _____ [specify information known about company or its clients] _____

_____

2. Prior Inventions. Except as set forth below, I acknowledge at this time that I have not made or reduced to practice (alone or jointly with others) any Inventions (if none, so state): _____ [specify inventions] _____

_____

3. Conflicting Relationships. Except as set forth below, I acknowledge that I have no other current or prior agreements, relationships, or commitments that conflict with my relationship with the Company under my Confidentiality Agreement (if none, so state): _____ [specify conflicts] _____

_____

Dated: _____, 2004

_____

Employee

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Schedule B. Termination Certification

This is to certify that I do not have in my possession, nor have I failed to return, any Confidential Information or copies of such information, or other documents or materials, equipment, or other property belonging to the Company or its Clients.

I further certify that I have complied with and will continue to comply with all the terms of the Confidentiality and Invention Assignment Agreement which I signed, including the reporting of any Inventions (as defined in that agreement) conceived or made by me that are covered by that Agreement.

I further agree that, in compliance with the Confidentiality and Invention Assignment Agreement, I will preserve as confidential and not use any or all Confidential Information, Inventions, or other information that has or could have commercial value or other utility in the business in which the Company or its Clients are engaged or in which they contemplate engaging. I will not participate in the unauthorized disclosure of information that could be detrimental to the interests of the Company or its Clients, whether or not such information is identified as Confidential Information by the Company or its Clients.

On termination of my employment with the Company, I will be employed by _____ in _____ Division and will be working in connection with the following projects: [generally describe the projects] _____

Dated: _____, 2004

_____

Employee

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Schedule C. Written Notification to Employee

In accordance with California Labor Code §2872, you are hereby notified that your Confidentiality and Invention Assignment Agreement does not require you to assign to the Company any Invention for which no equipment, supplies, facility, or trade secret information of the Company was used and that was developed entirely on your own time, and does not relate to the business of the Company or to the Company's actual or demonstrably anticipated research or development, or does not result from any work performed by you for the Company.

Following is the text of California Labor Code §2870:

> "(a) Any provision in an employment agreement which provides that an employee shall assign, or offer to assign, any of his or her rights in an invention to his or her employer shall not apply to an invention that the employee developed entirely on his or her own time without using the employer's equipment, supplies, facilities, or trade secret information except for those inventions that either:
>
> (1) Relate at the time of conception or reduction to practice of the invention to the employer's business, or actual or demonstrably anticipated research or development of the employer; or
>
> (2) Result from any work performed by the employee for the employer.
>
> (b) To the extent a provision in an employment agreement purports to require an employee to assign an invention otherwise excluded from being required to be assigned under subdivision (a), the provision is against the public policy of this state and is unenforceable."

I hereby acknowledge receipt of this written notification.

Dated: _____, 2004

_____

Employee

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