

Notice Required by the Noncompete Agreement Act

You may be prevented from some future work if you sign this agreement

1. Why am I getting this notice?

You are getting this notice because your employer is proposing that you sign an agreement that limits your ability to work after your work relationship ends. The law requires your employer to provide you with this notice, which will help you understand whether your employer may or may not impose post-employment restrictions.

2. What documentation must your employer provide?

Your employer must give you a copy of the proposed restrictive agreement as well as a copy of the final signed agreement. You may also request at any time during your employment a copy of the restrictive agreement which your employer must give to you within 10 business days of your request. You have 10 business days before starting work to review the agreement unless you decide to start work earlier or you have been working for your employer, in which case you have 10 business days after receiving the agreement to review the agreement.

3. Are restrictive employment agreements prohibited and unenforceable against some workers?

Yes. Most restrictive employment agreements will not be enforceable against physicians, volunteers, apprentices, interns, workers below 18 years old, workers terminated without good cause, and workers earning less than the state's annual mean wage, which can be found at <https://www.bls.gov/oes/current/oesrcst.htm>.

4. In what ways will I be restricted from work if I sign the agreement?

Your employer has proposed a [noncompete agreement], [confidentiality agreement], [forfeiture-for-competition agreement], [no-business agreement], [no-recruit agreement], [and] [or] a [no-solicit agreement]. *Your employer will highlight which of the agreements it is proposing.* These agreements restrict what you can do after your work ends and must be reasonable.

- a noncompete agreement restricts you from working for a competitor for up to 1 year and is only enforceable your employer has a valid reason for requesting the noncompete and its restrictions are as limited as possible
- a confidentiality agreement prevents you from disclosing information, and is only valid if it covers non-public and business-related information
- a forfeiture-for-competition agreement imposes financial consequences which must be proportional to your activity
- a no-business agreement prevents you from doing any business with certain clients for up to 6 months
- a no-recruit agreement prevents you from recruiting some of your former co-workers for up to 6 months
- a no-solicit agreement prevents your reaching out to former clients for up to 1 year

5. What options do I have?

You have three options

- a. Talk with a lawyer. A lawyer can explain the situation to you and help you decide whether to sign the agreement.
- b. Contact the [Department of Labor]. The [Department of Labor] has the authority to seek a penalty from your employer for requesting that you sign a prohibited agreement.
- c. Negotiate with your employer. Even if the agreement is enforceable under the [law of your state], you can ask your employer to reduce the post-employment work restrictions in the proposed agreement.

6. What if I sign an agreement that is prohibited by law?

If you sign an agreement that is prohibited under the [act], then the agreement will be unenforceable. If your employer takes you to court and you win, you may be entitled to the costs of litigation and damages. In some situations, you may also sue your employer.