

## **Notice Required by the Noncompete Agreement Act**

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

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#### **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 these limits.

#### **2. What documents must your employer provide?**

Your employer must give you a copy of the proposed 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 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. If you decide to start work earlier, or you have already been working for your employer, you have 10 business days after receiving the agreement to review it.

#### **3. Are these agreements prohibited and unenforceable against some workers?**

Yes. Most of these agreements will not be enforceable against a physician or other healthcare worker, volunteer, apprentice, intern, worker under 18 years, worker terminated without good cause, or worker earning less than the state's annual mean wage. The annual mean wage can be found at <https://www.bls.gov/oes/current/oessrcst.htm> by selecting your state, and then looking at the annual mean wage for All Occupations.

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

Your employer has proposed one or more of the following agreements: noncompete agreement, confidentiality agreement, no-business agreement, no-recruit agreement, nonsolicitation agreement, payment-for-competition agreement, or training-repayment agreement. Your employer will highlight which of the agreements it is proposing. These agreements limit what you can do after your work ends and must be reasonable.

--a noncompete agreement prevents you from working for a competitor for up to 1 year and is only enforceable if your employer has a valid reason for requesting the agreement and it is as limited as possible.

--a confidentiality agreement prevents you from disclosing information and is only valid if it covers nonpublic and business-related information.

--a no-business agreement prevents you from doing any business with certain clients or customers 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 nonsolicitation agreement prevents you from reaching out to former clients or customers for up to 1 year.

--a payment-for-competition agreement makes you pay your employer for competition and must be reasonable.

--a training-repayment agreement requires you to repay your employer for specialized training expenses if you leave work within 2 years after the training ends.

#### **5. What options do I have?**

You have at least four 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] can take action against your employer for having you sign a prohibited agreement.
- c. Negotiate with your employer. Even if the agreement is enforceable, you can ask your employer to reduce the limitations in the proposed agreement.
- d. Sign the agreement. If the agreement is acceptable, you can sign it.

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

If you sign an agreement that is prohibited, the employer cannot use it against you. If your employer takes you to court and you win, your employer may be required to pay for your defense costs and any damage done to you. In some situations, you may also sue your employer;