

COPY

**CHIHULY, INC./PORTLAND PRESS
EMPLOYEE CONFIDENTIALITY AND PROPRIETARY RIGHTS AND
OBLIGATIONS AGREEMENT**

In consideration of [continued] employment and in recognition of the need to protect the artistic integrity and business of Dale Chihuly ("Artist") and Chihuly, Inc. a/k/a Chihuly Studio and/or Portland Press (collectively, the companies are referred herein as "Chihuly Group"), the Chihuly Group and _____ (the "Employee") (the "Parties") hereby enter into this AGREEMENT dated _____ 200__.

1. Definitions and Acknowledgments.

(a) Definition of "Artwork." As used herein, the term Artwork will be broadly defined to include all work produced, conceived or designed by the Artist and/or the Chihuly Group, including but not limited to glass work, imagery, sculptures, works on paper or acrylic, mixed media, performance art, tapestries, blankets and all other forms of visual arts.

(b) Definition of "Confidential Information." The Parties acknowledge that, in order to permit the Employee to successfully perform and/or continue to perform the duties associated with his or her employment with the Artist and/or the Chihuly Group, it is necessary for the Artist and/or the Chihuly Group to provide the Employee with access to certain valuable proprietary information and knowledge ("Confidential Information") which derives value from not being generally known. In the context of this Agreement, the term "Confidential Information" shall be deemed to include, but is not limited to, non-public information relating to:

(i) the processes, methods, techniques, formulas, designs, patterns, compositions, and/or compilations that either have been or are currently being considered, tested, evaluated or used to design, develop, create, produce, install or display any of the Artwork;

(ii) the business of the Artist and/or the Chihuly Group including but not limited to any financial, sales, marketing, design, production or installation, client or archival, image and database information;

(iii) any personal or business information related to either: (A) the Artist, his family, extended family, friends or associates, or (B) any employees, clients, vendors, consultants, contractors or other personnel affiliated with the Chihuly Group;

(iv) any future plans or strategies for the Artist and/or the Chihuly Group's business or Artwork including, but not limited to, designs for future Artwork, or plans or strategies for expansion into new products, publications, services, markets, or branding efforts;

(v) the identity of any former, current or prospective client, vendor, supplier, employee, associate, consultant, gallery, investor or business partner of the Artist and/or the Chihuly Group, and the terms of any agreements or understandings with such individuals or entities;

(vi) any other information gained in the course of the Employee's employment with the Artist and/or the Chihuly Group that could reasonably be expected to prove harmful to the Artist and/or the Chihuly Group if disclosed to or used by others, including, without limitation, any information that could reasonably be expected to impair the Artist and/or the Chihuly Group's business or tarnish, dilute, cast a false light upon or otherwise impair or disparage the artistic integrity and historical significance of the Artwork, the Artist or the Chihuly Group.

(c) Protection of Chihuly Artwork. The Parties acknowledge that the Artist and the Chihuly Group have, through many years of artistic endeavor, developed unique and stylized Artworks including methods of presentation and installation that are distinctive in line, form, decoration, color and assembly (the "Chihuly Style"). The Parties further acknowledge that: (i) the Artist and the Chihuly Group have a legitimate interest in protecting Confidential Information; and, (ii) that the Chihuly Group, Artist, the artistic community and the public at large have a common interest in ensuring that the Chihuly Style is preserved and is not tarnished or diluted by any false or misleading affiliation or by the proliferation of unauthorized knockoffs, reproductions, presentations, or installations.

2. Use and Disclosure of Confidential Information.

The Employee acknowledges that he or she has acquired and/or will acquire Confidential Information in the course of or incident to his or her employment with the Artist and/or the Chihuly Group, and that disclosure or use of the information could cause harm to the Artist or seriously jeopardize the Chihuly Group's Chihuly Style and/or artistic and business interests. Accordingly, the Employee agrees that he or she shall not, directly or indirectly, at any time, during the term of his or her employment with the Chihuly Group and/or the Artist or at any time thereafter, and without regard to when or for what reason, if any such employment shall terminate: (i) use or cause to be used any such Confidential Information except in connection with the business of the Chihuly Group and/or the Artist, and (ii) disclose such Confidential Information to any individual, partnership, corporation, or other entity unless such disclosure has been specifically authorized in writing by the Chihuly Group and/or the Artist or except as may be required by any applicable law or by order of a court of competent jurisdiction, a regulatory or governmental body. In the event of such disclosure, Employee shall take all necessary steps to ensure that the Confidential Information remains protected and promptly notify the Chihuly Group and/or the Artist of the request subject to all legal constraints. Nothing contained in this Agreement shall be deemed to weaken or waive any rights related to the protection of trade secrets that the Chihuly Group and/or the Artist may have under common law or any applicable statutes.

3. Proprietary Rights.

(a) All patents, copyrights, trade secrets and other proprietary rights relating to the Confidential Information, the Artwork and any other ideas, inventions, strategies, processes, or other information, products, works or services developed during the course of the Employee's employment (collectively, the "Proprietary Works") shall be owned by the Chihuly Group, including but not limited to any such work that does not qualify as "Works-Made-For-Hire," if any. The Employee hereby irrevocably assigns, transfers and conveys to the Chihuly Group and its successors the Employee's entire right, title and interest in the Proprietary Works and any improvements throughout the world, including, without limitation:

(i) all patents, copyrights, trade secrets and other proprietary rights and all rights to secure registrations, renewals and extensions of the same, including the right to file and prosecute applications for patent or copyright protection, in the United States and in every other country throughout the world;

(ii) all rights to make use, practice, import, export and otherwise fully exploit the Proprietary Works and any and all improvements that the Employee, the Artist or the Chihuly

Group may hereafter make or develop, including all rights under any patent that may issue and any processes and designs therein;

- (iii) all documents, books and records including media herein known or yet to be developed, notes, notebooks, drawings, schematics, prototypes, or other materials related to the Proprietary Works.

(b) During the period of his or her employment with the Chihuly Group and as may be reasonably necessary subsequent to the Employee's employment, the Employee agrees to cooperate with the Chihuly Group to secure the rights granted herein and to take such further acts and execute and deliver to the Chihuly Group such instruments as may be required to perfect, register or enforce the Chihuly Group's ownership of the rights conveyed under this Agreement. If the Employee fails or refuses to execute any such instruments (without regard to whether or not the Employee is at the time employed by the Chihuly Group), the Employee hereby appoints the Chihuly Group as the Employee's attorney-in-fact to act on the Employee's behalf and to execute such instruments. This appointment shall be irrevocable and deemed to be a power coupled with an interest.

(c) Revised Code of Washington 49.44.140 Notice: Any assignment of inventions required by this Agreement does not apply to any invention for which no equipment, supplies, facility or trade secret information of the Artist and the Chihuly Group was used and which was developed entirely on the Employee's own time, unless: (i) the invention relates (A) directly to the business of the Artist or of the Chihuly Group or (B) to the Artist's and the Chihuly Group's actual or demonstrably anticipated research or development; or (ii) the invention results from any work performed by Employee for the Artist or the Chihuly Group.

4. Conflicting Employment.

During the period of his or her employment with the Chihuly Group and/or the Artist, and absent further written consent, the Employee will not, directly or indirectly through spouses, relatives, friends, associates or others, and whether or not for compensation, either on his or her own behalf or as an employee, officer, agent, consultant, director, owner, partner, joint venturer, shareholder, investor, or in any other capacity (except in the capacity of an employee of the Chihuly Group or the Artist acting for the benefit of the Chihuly Group and the Artist) engage in any activity or business which is of the same nature as, or substantively similar to, an activity or business of the Chihuly Group or the Artist or any activity or business which the Chihuly Group or the Artist is developing and of which the Employee has knowledge.

5. Post-Employment Duties and Obligations.

(a) Promptly upon termination of employment, or earlier if so requested, Employee shall deliver to the Chihuly Group all documents, Artwork or other property of the Chihuly Group and the Artist and any materials in the Employee's possession, custody or control that contain or embody any of the Confidential Information or Proprietary Works.

(b) During his or her employment and for a period of two (2) years thereafter, Employee will not, directly or indirectly, solicit any commission for, or sale of, Artwork from any customer or potential customer of the Chihuly Group with whom he or she had contact or was otherwise involved with prior to the Termination Date.

(c) During his or her employment and for a period of five (5) years thereafter, Employee will not, directly or indirectly, sell, solicit for sale, advertise, market, produce or install

any Artwork that is similar to or substantially similar to any Artwork of the Artist or the Chihuly Group or that attempts to imitate or reflect the Chihuly Style.

(d) "Chihuly" is a trademark of the Artist and the Chihuly Group and the Artist and the Chihuly Group has, and may acquire in the future, various copyright, trade dress, trade secret, trademark and patent rights in or relating to Artwork or other Proprietary Works. Using any of the Chihuly Group's or Artist's Confidential Information, or producing, marketing, selling or offering to produce or sell any Artwork that is identical to, or confusingly similar to Artwork of the Chihuly Group or the Artist is expressly prohibited. You are hereby granted the right to use the typewritten, unstylized word mark "Chihuly" if used directly and exclusively in connection with, and as part of, an accurate description of your prior work experience and/or training with the Artist and the Chihuly Group. You are not granted any other rights to use any trademarks of the Artist or the Chihuly Group or any other intellectual property of the Artist or the Chihuly Group and this Agreement does not grant any permission to use the mark in connection with any efforts to solicit, market, sell, produce or enhance the value of any Artwork that is the same as or substantially similar to that of the Artist and the Chihuly Group, including, but not limited to, any reproductions or knockoffs.

6. Reasonableness of Covenants and Remedies.

(a) Certain Recognitions. The Employee recognizes that the restrictions set forth in Sections 3 through 5 of this Agreement may seriously limit his or her future flexibility in many ways. The Employee acknowledges that the restrictions specified in Section 3 through 5 are reasonable in view of the need to protect the artistic integrity of the Artist and the Artworks of the Chihuly Group, the nature of the business in which the Chihuly Group is engaged, the Employee's position with the Chihuly Group and the Employee's knowledge of the business(es) associated with the Artist and the Chihuly Group. The Employee recognizes that his or her compensation (cash, equity and otherwise) reflects his or her agreement in Sections 3 through 5, and acknowledges that he or she will not be subject to undue hardship by reason of his or her agreement to Sections 3 through 5.

(b) Modification of Restriction. Notwithstanding anything contained in Sections 3 through 5 of this Agreement to the contrary, if a court of competent jurisdiction should hold any restriction specified in Sections 3 through 5 to be unreasonable, unenforceable, illegal or invalid, then that restriction shall be limited to the extent necessary to be enforceable, and only to that extent. In particular, and without limitation on the foregoing, if any provision of Sections 3 through 5 should be held to be unenforceable as to scope or length of time or geographical area involved, such provision shall be deemed to be enforceable as to, and shall be deemed to be amended to cover, the maximum scope, maximum length of time, or broadest area, as the case may be, which is then lawful.

(c) Survival of Covenants. The obligations of the Employee under Sections 3 through 5 of this Agreement shall survive the termination of this Agreement and of his or her employment with the Chihuly Group and/or the Artist.

(d) Remedies. The Employee acknowledges that any breach of this Agreement may cause Artist or the Chihuly Group irreparable harm for which there is no adequate remedy at law, and as a result, Artist and/or the Chihuly Group shall be entitled to the issuance by a court of competent jurisdiction of an injunction, restraining order, or other equitable relief in favor of itself, without the necessity of posting a bond, restraining the Employee from committing or

continuing to commit any such violation. Any right to obtain an injunction, restraining order, or other equitable relief hereunder shall not be deemed a waiver of any right to assert any other remedy the Chihuly Group and/or the Artist may have at law or in equity. In the event of any legal process, the prevailing Party/Parties shall be entitled to recover costs and expenses incurred in connection with the litigation.

7. Relationship of the Parties; At-Will Employment.

The relationship between the Artist and the Chihuly Group and the Employee hereunder is agreed to be solely that of employee and employer. It is specifically agreed that Employee is not an independent contractor, partners, or a joint venturer, and that Employee is employed at will. Further, nothing contained herein shall be construed to alter Employee's at-will status, or to make Employee an independent contractor, partner, or joint venturer. Finally, Employee agrees that no subsequent modification of this Agreement nor any modification of responsibility or compensation shall alter his or her status as an Employee at-will, or confer new status as an independent contractor, partner, or joint venturer, unless such change is made expressly, in writing, and authorized by the Board of Directors.

8. Miscellaneous.

a. This Agreement contains the entire Agreement of the Parties and shall supersede any and all existing agreements between the Employee and the Artist and the Chihuly Group or any of its affiliates or subsidiaries relating to the subject matter hereof. No amendment or alteration of the terms of this Agreement shall be valid unless made in writing and signed by all the Parties hereto.

b. Failure of a Party to insist upon strict adherence to any term of this Agreement on any occasion or occasions shall not be considered a waiver thereof or deprive that Party of the right thereafter to insist upon strict adherence to that term or any other term of this Agreement.

c. The holding of any provision of this Agreement to be illegal, invalid, or unenforceable by a court of competent jurisdiction shall not affect any other provision of this Agreement, which shall remain in full force and effect.

d. The term Chihuly Group shall be deemed to include the Chihuly Group as well as any subsidiaries or affiliates of the Chihuly Group that may, from time to time, become associated with the Chihuly Group. Chihuly Group may assign this Agreement to any successor company or entity and any other entity that acquires all or any part of the assets of the Artist and the Chihuly Group.

e. This Agreement, and any disputes which may arise under, out of or in connection with this Agreement, shall be governed by and construed in accordance with the laws of the State of Washington. Jurisdiction over and venue of any suit arising out of or related to this Agreement shall be exclusively in the state and federal courts of King County, Washington.

IN WITNESS, WHEREOF, the Parties have executed this Agreement on the date first written above.

**CHIHULY, INC. and/or PORTLAND
PRESS herein CHIHULY GROUP**

EMPLOYEE

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Print Name: _____

Date: _____

Date: _____

By: _____

Name: _____

Title: _____

Date: _____