

Counter-Proposed Language — Contractor Agreement

Document: Contractor Confidentiality, Invention Assignment & Data Security Agreement

Party: ConversionOS IQ, LLC (d/b/a Lauren Kingsley Strategy)

Date: August 2026

Status: Counter-Proposal — 21 Sections, 26 Issues Addressed

1. Work Product Definition and Post-Term IP (Sections 1.4 and 3.6)

Current Problem

Section 1.4 defines "Work Product" to include anything that "relate in any manner to the Platform, the Services, or the **actual or reasonably anticipated business**, research, or development of Company." Section 3.3 assigns IP "automatically at the moment of creation, conception, authorship, or reduction to practice" — triggering at conception, not just creation. Section 3.6 extends assignment to IP created **after the Term** and during **non-working hours** if it "concerns, is related to, or is similar to" Company's business.

This is effectively a perpetual claim on your future work in any adjacent space.

Counter-Proposed Language

Replace Section 1.4 with:

1.4 "Work Product" means all deliverables, work, and materials of any kind conceived, created, developed, authored, reduced to practice, discovered, made, or contributed to by Contractor **solely during the Term** and **(a)** specifically as part of the Services performed for Company, **(b)** using Confidential Information, Company Materials, Company systems, Company accounts, Company data, or Company funds, or **(c)** that were specifically requested or commissioned by Company in writing. Work Product includes all software, source code, scripts, models, prompts, agent configurations, datasets, schemas, documentation, specifications, designs, user interfaces, graphics, copy, reports, dashboards, algorithms, methods, processes, inventions, and improvements created under the foregoing criteria, and all works in progress, drafts, intermediate outputs, and versions thereof. Work Product **excludes** any invention, work, or material created by Contractor entirely on Contractor's own time, without use of any Confidential Information, Company Materials, Company systems, or Company funds, that does not relate to the specific Services described in the applicable Statement of Work or engagement letter.

Replace Section 3.3 with:

3.3 Assignment of Work Product. To the extent permitted by applicable law, Contractor hereby assigns to Company all right, title, and interest in and to all Work Product as defined in Section 1.4. Assignment occurs upon delivery of the Work Product to Company and payment in full therefor. Contractor agrees to execute any documents and take any actions reasonably necessary to perfect Company's ownership of Work Product, subject to the limitations in Section 3.7. Contractor retains all right, title, and interest in any pre-existing materials, general knowledge, skills, and techniques, and in any invention or work that does not meet the definition of Work Product.

Replace Section 3.6 with:

3.6 No Post-Term Claim. Notwithstanding anything to the contrary in this Agreement, Company claims no right, title, or interest in any invention, work of authorship, or other intellectual property created by Contractor **after the termination of the engagement** that was (a) created entirely on Contractor's own time, (b) created without use of any Confidential Information, Company Materials, Company systems, Company accounts, or Company funds, and (c) does not relate to the specific Services described in the applicable Statement of Work or engagement letter. Contractor retains all right, title, and interest in such post-Term work. For the avoidance of doubt, nothing in this Section limits Company's ownership of Work Product created during the Term as defined in Section 1.4 and assigned under Section 3.3.

2. Non-Compete, Non-Solicit, and Tolling (Sections 12.2–12.6)

Current Problem

Section 12.4 (Non-Compete): 12-month ban on working with any person or entity in "measurement, attribution, lead-journey, lead-disposition, call-center performance, or AI-agent marketing or revenue-operations software" marketed to home services/improvement businesses. The scope covers a significant swath of the B2B SaaS market. The carve-outs are thin: passive investments under 2% in public companies and general software "outside the restricted field."

Section 12.6 (Tolling): "If Contractor breaches Section 12.2, 12.3, or 12.4, the applicable restricted period is extended by the duration of the breach" — this effectively extends the non-compete indefinitely by the length of any alleged violation, creating a moving target.

Section 12.2 (Non-Solicit of Clients): 12-month ban on soliciting OR accepting business from any Company client/prospect "with whom Contractor had contact, about whom Contractor received Confidential Information, or whom Contractor knew to be a client" — an extraordinarily broad net that catches even passive inbound business.

Section 12.3 (Non-Solicit of Personnel): "A general advertisement not targeted at Company personnel is not a breach of this Section, but **hiring a person who responds to it is**" — this catches even passive recruitment through general job postings.

Counter-Proposed Language

Replace Section 12.4 with:

12.4 Restricted Competition. During the Term and for a period of six (6) months following the end of the Term, Contractor will not, directly or indirectly, provide services, consulting, or development work to any competitor of Company that is identified in writing by Company as a Direct Competitor at the time Contractor receives such notice, provided that: (a) Company maintains a current list of Direct Competitors containing no more than five (5) named entities, which Company may update in writing with thirty (30) days' notice to Contractor; (b) this restriction applies only to services that would require Contractor to use, disclose, or rely upon Company Confidential Information; and (c) this restriction does not apply to publicly offered products or platforms developed by Contractor on Contractor's own time without use of Confidential Information. This Section shall be interpreted and enforced in accordance with applicable law, and if any portion is found to be overbroad or unenforceable under governing law, it shall be modified to the minimum extent necessary to render it enforceable. For the avoidance of doubt, nothing in this Section prohibits Contractor from providing services to companies in the same general industry as Company, so long as such services do not involve use of Company Confidential Information and the client is not on the Direct Competitor list.

Replace Section 12.2 with:

12.2 Non-Solicitation of Clients. During the Term and for twelve (12) months following the end of the Term, Contractor will not actively solicit, induce, or attempt to induce any Company client from whom Contractor received services or to whom Contractor provided services **during the twelve (12) months preceding such solicitation** to terminate, reduce, decline to renew, or diminish its relationship with Company. This Section does not prohibit: (a) Contractor from accepting business from a Company client who independently contacts Contractor without solicitation; (b) general advertising or marketing directed to the public at large; or (c) any activity by Contractor that does not involve the use or disclosure of Confidential Information.

Replace Section 12.3 with:

12.3 Non-Solicitation of Personnel. During the Term and for twelve (12) months following the end of the Term, Contractor will not, directly or indirectly, solicit, recruit, hire, engage, or induce any employee, contractor, consultant, or advisor of Company with whom Contractor had direct working contact during the Term to terminate or reduce their relationship with Company. A general advertisement, job posting, or recruiting effort not specifically targeted at Company personnel is not a breach of this Section, and hiring a person who responds to a general advertisement or voluntarily contacts Contractor is not a breach. This Section does not apply to: (a) solicitation using public sources (e.g., public job boards, social media); (b) hiring through third-party recruiting firms; or (c) general advertising not directed specifically at Company's personnel.

Delete Section 12.6 (Tolling) entirely.

Deleted. The Parties agree that the fixed restricted periods in Sections 12.2, 12.3, and 12.4 shall not be extended by tolling. Any alleged breach of these Sections shall be resolved through the dispute resolution mechanisms set forth in this Agreement.

If they push back on non-compete, fallback position — delete entirely:

Deleted. The Parties agree that Sections 2 (Confidentiality), 3 (IP Ownership), 4 (No Resale), and 12.2 (Non-Solicitation of Clients) adequately protect Company's legitimate business interests. A general restriction on competition is unnecessary and inconsistent with Contractor's status as an independent contractor engaged for specialized services.

3. Liability Cap, Set-Off, and Indemnification (Sections 13.4, 13.5, 13.6)

Current Problem

Section 13.5: Removes all liability caps and consequential damages exclusions for Contractor. Unlimited personal liability for any breach, no matter how minor.

Section 13.6: Unilateral set-off — Company can deduct any amount it allegedly owes from payments to Contractor.

Section 13.4: One-way indemnification covering Contractor's breach, IP infringement claims, security incidents, acts of subcontractors, tax status claims, and gross negligence. Explicitly states it's **not limited by insurance coverage or by any limitation of liability elsewhere** — meaning Contractor is personally on the hook without a ceiling.

Counter-Proposed Language

Replace Section 13.4 with:

13.4 Mutual Indemnification. (a) **Contractor's Indemnification.** Contractor shall defend, indemnify, and hold harmless Company from and against claims arising out of or relating to: (i) Contractor's breach of this Agreement, (ii) Contractor's gross negligence or willful misconduct, or (iii) a third-party claim that the Work Product, as delivered to Company, infringes such third party's intellectual property rights, provided that Company promptly notifies Contractor in writing of any such claim and gives Contractor sole control of the defense and settlement (provided settlement does not impose obligations on Company). (b) **Company's Indemnification.** Company shall defend, indemnify, and hold harmless Contractor from and against claims arising out of or relating to: (i) Company's breach of this Agreement, (ii) Company's gross negligence or willful misconduct, (iii) Company's use of Work Product in a manner not authorized by this Agreement, or (iv) a third-party claim that Company's Platform or Services (as modified or combined by Company after delivery) infringe such third party's rights. (c) **Limitations.** Neither Party's indemnification obligations shall include liability for indirect, incidental, special, punitive, or consequential damages. Neither Party is required to indemnify the other for claims arising from the indemnified Party's own negligence, misconduct, or breach. Each Party's indemnification obligations are subject to the liability cap in Section 13.5. For the avoidance of doubt, Contractor is not responsible for indemnifying Company for claims arising from the acts or omissions of any subcontractor unless Contractor was grossly negligent in the selection of such subcontractor.

Replace Section 13.5 with:

13.5 Limitation of Liability. EXCEPT FOR CLAIMS ARISING FROM (A) A PARTY'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, (B) BREACH OF SECTION 2 (CONFIDENTIALITY), OR (C) INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS UNDER SECTION 5, IN NO EVENT SHALL EITHER PARTY'S AGGREGATE LIABILITY UNDER THIS AGREEMENT EXCEED THE TOTAL AMOUNT PAID OR PAYABLE BY COMPANY TO CONTRACTOR DURING THE TWELVE (12) MONTHS PRECEDING THE EVENT GIVING RISE TO THE CLAIM. NOTWITHSTANDING THE FOREGOING, NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES, INCLUDING LOST PROFITS, LOST REVENUE, OR BUSINESS INTERRUPTION, ARISING OUT OF OR RELATING TO THIS AGREEMENT, WHETHER IN CONTRACT, TORT, STRICT LIABILITY, OR OTHERWISE, EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THE LIMITATIONS IN THIS SECTION APPLY TO THE FULL EXTENT PERMITTED BY APPLICABLE LAW AND DO NOT LIMIT ANY LIABILITY THAT CANNOT BE LEGALLY LIMITED. The indemnification obligations in Section 13.4 are subject to this cap.

Replace Section 13.6 with:

13.6 Set-Off. Company may not set off against any amount owed to Contractor any amount Contractor allegedly owes Company under this Agreement unless (a) the amount has been determined by a final, non-appealable judgment of a court of competent jurisdiction, (b) the Parties have executed a written agreement specifying the amount owed, or (c) Contractor has provided written acknowledgment of the debt. Any set-off right is further limited by the liability cap in Section 13.5.

4. Symmetric Limitations Period (Section 16.6)

Current Problem

Section 16.6 gives Contractor only 1 year to bring any claim while leaving Company unlimited. A one-sided procedural weapon.

Counter-Proposed Language

Replace Section 16.6 with:

16.6 Limitations Period. Any claim by either Party arising out of or relating to this Agreement or the engagement must be brought within three (3) years after the claim accrues or is forever barred, to the extent such a period is enforceable under applicable law. If a shorter limitations period is mandated by governing law, that statutory period shall control for both Parties equally.

5. Governing Law and Venue (Sections 15.1, 15.3, 16.1)

Current Problem

Missouri governing law and exclusive Missouri venue, with a waiver of Contractor's local law. Strategically chosen to favor Company.

Counter-Proposed Language

Replace Section 15.1 with:

15.1 Governing Law. This Agreement, and all claims and disputes arising out of or relating to it or to the engagement, whether in contract, tort, statute, or otherwise, are governed by and shall be construed in accordance with the laws of the State of [Contractor's State of Residence], without regard to any conflict-of-laws principle that would result in the application of the law of another jurisdiction.

Replace Section 15.3 with:

15.3 Applicability of Local Law. This Agreement is subject to and shall be interpreted in accordance with the governing law specified in Section 15.1, and neither Party waives the protections of mandatory or non-waivable provisions of applicable law.

Replace Section 16.1 with:

16.1 Jurisdiction and Venue. The state and federal courts located in [County], [Contractor's State of Residence] have exclusive jurisdiction over any action arising out of or relating to this Agreement. Each Party irrevocably consents to the personal jurisdiction and venue of those courts, waives any objection based on forum non conveniens or improper venue, and consents to service of process by the methods in Section 17.

Alternative if they insist on mutual compromise — arbitration:

16.1 Dispute Resolution. Any dispute arising out of or relating to this Agreement that is not resolved by negotiation within thirty (30) days shall be resolved by binding arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules, before one (1) arbitrator mutually selected by the Parties. The seat and place of arbitration shall be [Neutral City, e.g., Chicago, IL or Denver, CO], conducted in the English language, with the award rendered in United States dollars. Judgment on the award may be entered in any court of competent jurisdiction. Each Party shall bear its own arbitration costs and attorneys' fees, and the arbitrator may not award attorneys' fees or costs to the prevailing Party unless the claim is found to have been brought in bad faith. The arbitrator has authority to grant interim and permanent injunctive relief.

6. Perpetual Non-Compete Disguised as IP Protection (Section 4.2)

Current Problem

Section 4.2: "Contractor shall not use any Confidential Information, Work Product, or Company IP to develop, build, launch, operate, invest in, advise, or assist any person or entity in developing, building, launching, or operating any product, service, platform, agent, model, or offering that is the **same as, substantially similar to, derived from, or competitive with the Platform** or any Company product, service, or methodology. This restriction applies **without geographic or temporal limitation, independent of Section 12.**"

This is a **perpetual, worldwide non-compete** hidden inside an IP section. "Competitive with" and "derived from" are interpreted broadly. It operates independently of the time-limited non-compete in Section 12 — meaning even after the 6-month restriction period ends, this clause lives forever. Combined with the broad definition of "Platform" (AI agents, revenue ops, attribution, lead scoring, etc.), this effectively blocks work in B2B SaaS revenue technology **in perpetuity**.

Counter-Proposed Language

Replace Section 4.2 with:

4.2 Use Restrictions. Contractor shall not use Company Confidential Information to create, develop, or contribute to any work product for a third party. This Section is limited to the protection of Confidential Information and does not restrict Contractor from: (a) working for or providing services to any client, customer, or employer; (b) developing, building, or investing in products or services that are competitive with or similar to the Platform or any Company offering, so long as Contractor does not use Company Confidential Information in doing so; (c) using general knowledge, skills, experience, or expertise acquired during the engagement; or (d) independently developing products or services that happen to compete with Company's offerings. Nothing in this Section survives termination of the engagement beyond the obligations in Section 2 (Confidentiality).

Fallback position if they refuse — delete §4.2 entirely:

Deleted. The Parties agree that Sections 2 (Confidentiality), 3 (IP Ownership), and 12 (Restrictive Covenants) adequately protect Company's legitimate business interests. A perpetual restriction on competition under the guise of IP protection is overbroad and unnecessary. Company's Confidential Information and proprietary IP are sufficiently protected by the express obligations in Sections 2 and 3.

7. Perpetual Portfolio/Publicity Ban (Section 2.10)

Current Problem

Section 2.10: "Contractor shall not, **during the Term or at any time thereafter**, without Company's prior written consent in each instance: (a) disclose or confirm the existence, subject matter, scope, or terms of the engagement; (b) identify Company as a client, customer, employer, or reference; (c) include any Work Product, screenshot, mockup, code sample, architecture description, or case study in any portfolio, resume, website, repository, showcase, pitch, proposal, publication, presentation, or social media post; or (d) make any public statement concerning Company, the Platform, or the Services. **This Section survives indefinitely.**"

Perpetual gag + portfolio ban. You can never mention working for them, list them as a reference, or include any screenshots/code samples from this engagement in your professional portfolio. For a developer, this destroys the primary way you demonstrate experience and build credibility.

Counter-Proposed Language

Replace Section 2.10 with:

2.10 Publicity and Portfolio. (a) **During the Term.** Without Company's prior written consent, Contractor shall not make public announcements regarding the engagement. Contractor shall not disclose Confidential Information, pricing, or commercially sensitive terms of the engagement. (b) **Post-Term.** Following termination of the engagement, Contractor may: (i) confirm the existence of the engagement and Contractor's role; (ii) identify Company as a client or reference; (iii) include descriptions of the work performed, the technologies used, and the skills applied in Contractor's portfolio, resume, website, or professional materials, provided that such materials do not disclose Confidential Information, trade secrets, or commercially sensitive data; and (iv) include screenshots or mockups of Work Product that have been publicly released by Company or for which Company has provided written consent. (c) **Company Cooperation.** Upon Contractor's written request, Company shall use commercially reasonable efforts to provide written consent for specific portfolio items within ten (10) business days. Consent shall not be unreasonably withheld, conditioned, or delayed. (d) **Limitation.** This Section does not prohibit Contractor from discussing the engagement with prospective employers or clients in confidence, subject to the confidentiality obligations of Section 2.

Fallback position — if they insist on tighter restrictions:

2.10 Publicity. (a) Contractor shall not disclose Confidential Information or commercially sensitive terms at any time. (b) Following the Term, Contractor may confirm the engagement, identify Company as a client, and reference the work in professional materials, provided no Confidential Information is disclosed. Company may request Contractor remove specific items from public portfolio upon written notice with reasonable justification, and Contractor shall comply within thirty (30) days.

8. Forced Employer Disclosure (Section 12.7)

Current Problem

Section 12.7: "During the restricted periods, Contractor shall provide a copy of Sections 2, 3, 4, and 12 of this Agreement to any prospective client or employer in the restricted field before accepting an engagement, and Company may notify any such person of Contractor's obligations."

Forces you to hand your full NDA, IP assignment, no-resale, and non-compete clauses to every prospective employer in the restricted field. **No rational employer will hire you** once they see this contract — it signals you're legally restricted, could face litigation for joining them, and they could become a third-party beneficiary. The Company can proactively notify potential employers — effectively **blacklisting you** during the restriction period.

Counter-Proposed Language

Delete Section 12.7 entirely.

Deleted. The Parties agree that Contractor has no obligation to disclose the terms of this Agreement to prospective clients or employers. Company shall not contact any prospective employer or client of Contractor regarding Contractor's obligations under this Agreement unless legally required or enforcing a specific, good-faith belief of a breach.

Fallback position — if they insist on some notice:

12.7 Notice of Competitive Engagement. During the restricted periods, if Contractor accepts an engagement with a Company client or a person or entity on the Direct Competitor list in Section 12.4, Contractor shall provide Company with thirty (30) days' advance written notice. Contractor has no obligation to disclose the terms of this Agreement to any third party. Company shall not contact any prospective employer or client of Contractor regarding Contractor's obligations under this Agreement.

9. Payment Leverage and Withholding (Sections 10.2 and 18.9)

Current Problem

Section 10.2: "Contractor shall not withhold, encrypt, disable, degrade, delete, obfuscate, or condition delivery of, or access to, any Work Product for any reason, **including any actual or claimed dispute over payment**. Contractor waives any lien, retention right, offset, or self-help remedy. **Contractor's sole remedy for any payment dispute is a claim for the amount alleged to be due.**"

Section 18.9: "Contractor's obligations are not excused, suspended, or discharged by any claim, defense, breach, or alleged breach by Company, including any dispute over payment; Contractor's sole remedy for any Company breach is a separate claim for damages."

You must deliver all work product even if they don't pay. You waive all liens and retention rights. Your only recourse is to sue — in Missouri, within 1 year. You're asked to trust the company completely while having zero leverage.

Counter-Proposed Language

Replace Section 10.2 with:

10.2 Delivery and Payment Disputes. Contractor shall promptly deliver completed Work Product upon receipt of payment. In the event of a payment dispute, Contractor shall provide Company with written notice specifying the amount in dispute and the basis for the dispute. If the disputed amount is not resolved within thirty (30) days of such notice, Contractor may suspend further work and withhold delivery of undelivered Work Product until the dispute is resolved. Contractor shall not, however, withhold, encrypt, disable, degrade, delete, or obfuscate Work Product that has already been delivered and accepted by Company. Contractor's right to suspend work shall not constitute a breach of this Agreement. Any payment dispute shall be resolved through the dispute resolution mechanisms set forth in this Agreement. For the avoidance of doubt, nothing in this Section permits Contractor to impair the security, integrity, or operation of Company's systems or data.

Replace Section 18.9 with:

18.9 Performance Obligations. Contractor's obligations under this Agreement are not excused by any claim or defense against Company, except that Contractor's obligation to perform future Services and deliver undelivered Work Product may be suspended if Company materially breaches this Agreement (including failure to pay undisputed amounts when due) and provides no cure within thirty (30) days of written notice specifying the breach. Contractor's obligations under Sections 2 (Confidentiality), 3 (IP Ownership), and 4 (No Resale) are not suspended by any breach of Company.

10. One-Way Unlimited Indemnification and Attorney Fees (Sections 13.4 and 13.3)

Current Problem

Section 13.4 (covered in Section 3 above — indemnification made mutual with cap).

Section 13.3: "In any action or proceeding to enforce or interpret this Agreement, the **prevailing Party** is entitled to recover its reasonable attorneys' fees, expert fees, forensic and investigative costs, and court, arbitration, and collection costs. **Company is additionally entitled to exemplary damages and attorneys' fees** to the fullest extent available under the Defend Trade Secrets Act and any applicable state trade secrets act."

Formally symmetric ("prevailing party") but effectively asymmetric: Company gets **additional** exemplary damages and fees under DTSA, has the resources to litigate, and the threat of fee-shifting discourages you from defending yourself.

Counter-Proposed Language

Replace Section 13.3 with:

13.3 Attorneys' Fees. Each Party shall bear its own attorneys' fees, expert fees, and litigation costs, regardless of the outcome of any action or proceeding arising out of or relating to this Agreement. Nothing in this Section shall be construed to limit either Party's right to recover attorneys' fees or costs as permitted by applicable statute or court rule. The Parties specifically agree that neither Party is entitled to exemplary damages or additional attorneys' fees under the Defend Trade Secrets Act or any other statute as a result of this Agreement.

Fallback position — symmetric prevailing-party (still better than current):

13.3 Attorneys' Fees. In any action or proceeding to enforce or interpret this Agreement, the prevailing Party is entitled to recover its reasonable attorneys' fees and costs incurred in such action. For purposes of this Section, "prevailing Party" means the Party that achieves a materially more favorable result than the settlement offer, if any, made before litigation. Neither Party is entitled to exemplary damages or additional attorneys' fees beyond what is provided in this Section.

11. Perpetual Further Assurances — Free Labor (Section 3.7)

Current Problem

Section 3.7: "During and after the Term, Contractor shall, at Company's request and expense, promptly execute all documents and take all actions Company reasonably requests to apply for, obtain, perfect, maintain, defend, enforce, transfer, or record Company's rights in the Work Product anywhere in the world, including assignments, declarations, oaths, and testimony. Contractor's obligation under this Section **survives indefinitely and is not contingent on any additional compensation.**"

Perpetual obligation to sign documents, provide testimony, and take actions to perfect the company's IP rights — forever, for free, "anywhere in the world." "Reasonably requests" is vague. This could mean being called back to testify in litigation decades after the engagement ends, at your time cost with no compensation.

Counter-Proposed Language

Replace Section 3.7 with:

3.7 Further Assurances. During the Term and for twenty-four (24) months following its termination, Contractor shall, at Company's reasonable expense, execute documents and take actions reasonably necessary to perfect, maintain, or defend Company's rights in Work Product, provided that: (a) such actions may be performed virtually or at a location within a reasonable distance of Contractor's residence; (b) Contractor shall be compensated at Contractor's most recent hourly rate for time spent beyond two (2) hours per request; (c) Company shall provide reasonable notice and cover all direct expenses (travel, filing fees, notarization) associated with such actions; and (d) Contractor's obligation is limited to actions that are specifically and reasonably requested in writing. Contractor has no obligation to testify in any legal proceeding or provide discovery responses beyond the scope of this Section.

12. Assignment Asymmetry and Subcontractor Rights (Section 18.5)

Current Problem

Section 18.5: "Contractor may not assign, delegate, subcontract, or otherwise transfer this Agreement without Company's prior written consent. **Company may freely assign or transfer this Agreement, in whole or in part, without Contractor's consent**, including to any affiliate, successor, or acquirer... and including in connection with any financing, reorganization, merger, or sale."

Complete asymmetry. Company can transfer this agreement (and all your obligations) to anyone without your consent. You could find yourself bound to an unknown entity. Contractor cannot subcontract under any circumstances.

Counter-Proposed Language

Replace Section 18.5 with:

18.5 Assignment. (a) **Contractor Assignment.** Contractor may not assign, delegate, or transfer this Agreement without Company's prior written consent, which shall not be unreasonably withheld or delayed for assignments to an affiliate or entity in which Contractor has a controlling interest. Contractor may engage subcontractors for specific tasks with Company's prior written notice, provided Contractor remains fully responsible for the quality and compliance of all subcontractor work, and each subcontractor is bound by obligations no less restrictive than those in Sections 2 and 3. (b) **Company Assignment.** Company may assign this Agreement to an affiliate without Contractor's consent, upon prompt written notice. Company may not assign this Agreement to a non-affiliate or in connection with a change of control (including merger, acquisition, or sale of substantially all assets) without Contractor's prior written consent, except that assignment to a successor entity in connection with a transaction in which the successor assumes all obligations of Company under this Agreement is permitted with thirty (30) days' written notice to Contractor.

13. Third-Party Beneficiaries (Section 18.6)

Current Problem

Section 18.6: "Company's clients, affiliates, successors, and assigns are intended third-party beneficiaries of Sections 2, 3, 4, 7, 8, and 12 and may enforce them directly."

Company's clients (who you likely never met) can directly enforce the NDA, IP assignment, no-resale, security, privacy, and restrictive covenant provisions against you. A client could sue you directly for alleged misappropriation or competition. Combined with §4.2's perpetual non-compete, this expands the circle of potential litigants significantly.

Counter-Proposed Language

Replace Section 18.6 with:

18.6 Third-Party Beneficiaries. This Agreement is for the sole benefit of the Parties and their respective permitted successors and assigns. Nothing in this Agreement, whether express or implied, is intended to confer upon any other person or entity any legal or equitable right, benefit, or remedy of any nature. Company's affiliates may enforce Section 2 (Confidentiality) against Contractor, provided that Company remains primarily responsible for any claim and shall control the defense and settlement thereof. No other third party is an intended beneficiary of this Agreement.

14. Personal Liability for Entity Contractors (Signature Block)

Current Problem

Signature Block: "If Contractor is an entity, the individual signing below also executes this Agreement in his or her individual capacity and **agrees to be personally bound by Sections 2, 3, 4, and 12.**"

If you operate through an LLC or corporation, the signing individual (you) is personally liable for NDA, IP assignment, no-resale, and restrictive covenants. This pierces the corporate veil for the most onerous sections.

Counter-Proposed Language

Replace signature block language with:

Signatures. By signing below, each Party executes this Agreement. If Contractor is an entity, the individual signing below does so solely in a representative capacity on behalf of Contractor and does not personally assume any obligation under this Agreement. Contractor is solely responsible for all obligations hereunder.

Fallback position — if they insist on personal guarantee:

Signatures. By signing below, each Party executes this Agreement. If Contractor is an entity, the individual signing below also guarantees Contractor's obligations under Section 2 (Confidentiality) only. The individual signer does not personally guarantee obligations under Sections 3, 4, 12, or any other Section of this Agreement, and shall not be personally liable for any monetary damages, indemnification, or penalties arising hereunder.

15. AI/Tool Restrictions and Development Workflow (Section 2.9)

Current Problem

Section 2.9: Requires prior written authorization for **each specific tool and use** of any "third-party artificial intelligence, machine learning, large language model, code assistant, transcription, translation, analytics, or automation service." Exhibit B-33 requires maintaining a written log of AI tools used, purposes, and categories of information submitted. Exhibit B-34 states "All AI-assisted output is Work Product; Contractor remains fully responsible for its originality, license cleanliness, security, and accuracy."

This constrains normal development workflow. Using Copilot, Cursor, or even asking ChatGPT to debug an error requires prior approval. Maintaining a written log of all AI usage is administratively burdensome.

Counter-Proposed Language

Replace Section 2.9 with:

2.9 AI and Third-Party Tools. (a) Contractor may use commercially available artificial intelligence, machine learning, code assistance, and automation tools in the performance of the Services, provided that: (i) Contractor does not input, upload, or submit any Confidential Information, Company data, Personal Information, or Work Product to any third-party AI service unless explicitly authorized by Company in writing for that specific use; (ii) Contractor uses only AI tools offered by reputable commercial vendors with published privacy policies limiting data retention and prohibiting use of input data for model training; and (iii) Contractor ensures that any AI-generated output incorporated into Work Product meets the quality, security, and licensing standards required by Section 5. (b) Contractor shall maintain a list of AI tools used in the performance of the Services and shall provide such list to Company upon request. Contractor warrants that Work Product is suitable for Company's intended use, regardless of the tools or methods used in its creation. (c) Nothing in this Section requires Contractor to obtain prior written authorization for each specific AI tool or use case.

16. Co-Founder Status and Equity Compatibility

Current Problem

Section 3.1: "Contractor acquires **no** right, title, interest, or license in or to any Company IP."

Section 6.1: "Nothing creates an employment, **partnership, joint venture**, agency, or fiduciary relationship."

Section 18.12: Contractor acknowledges compensation is "adequate and sufficient consideration."

This contract is a pure contractor agreement with zero ownership provisions. It directly contradicts any co-founder arrangement — there is no equity grant, no revenue share, no co-founder status, no governance rights, and no mechanism for ownership participation.

Counter-Proposed Language

Add new section after Section 6 (Independent Contractor Status):

6.5 Co-Founder Relationship. Notwithstanding anything to the contrary in this Agreement, the Parties acknowledge that Contractor may hold or acquire an equity interest, revenue-sharing interest, or other ownership interest in Company or its affiliates pursuant to a separate agreement (the "Co-Founder Agreement"). To the extent Contractor holds such an interest: (a) Sections 3.1, 3.3, and 3.6 shall not apply to any work performed by Contractor in Contractor's capacity as co-founder or in furtherance of Contractor's co-founder duties as defined in the Co-Founder Agreement; (b) the Parties acknowledge that nothing in this Agreement limits, waives, or contradicts Contractor's rights as a co-founder or equity holder; (c) Company shall not assert any claim under this Agreement against Contractor for activities undertaken in Contractor's capacity as co-founder that are authorized by the Co-Founder Agreement; and (d) in the event of a conflict between this Agreement and the Co-Founder Agreement, the Co-Founder Agreement shall control with respect to Contractor's rights, obligations, and ownership interests as a co-founder. If no Co-Founder Agreement has been executed as of the Effective Date of this Agreement, the Parties agree to execute such agreement within sixty (60) days, and this Agreement shall remain in effect pending execution of the Co-Founder Agreement.

17. Audit Costs and Insurance Reimbursement (Sections 7.6 and 14)

Current Problem

Section 7.6: "Upon reasonable notice, Company or its designee may review Contractor's compliance with this Section 7 and Exhibit B, including by requesting completed security questionnaires, policy documentation, access logs, penetration test summaries, subcontractor lists, and written certifications. Contractor shall cooperate promptly and **at its own cost.**"

Company can audit your security posture, request access logs and penetration test summaries, all at your expense.

Section 14: Requires Contractor to obtain and maintain commercial general liability, tech E&O/ professional liability, and cyber liability insurance — each with limits of \$1,000,000 per claim and in the aggregate, at Contractor's own expense.

Counter-Proposed Language

7.6 Audit and Verification. Upon reasonable notice (not less than fifteen (15) business days), Company may review Contractor's compliance with Section 7 and Exhibit B by requesting relevant documentation. Contractor shall cooperate promptly. Company shall bear the cost of any third-party audit, penetration test, or assessment requested under this Section. Contractor shall bear the cost of providing documentation from Contractor's existing records, up to a maximum of four (4) hours of Contractor's time per request.

14. Insurance. If Company requests in writing that Contractor obtain and maintain insurance, Company shall reimburse Contractor for the reasonable cost of such insurance premiums, or Contractor shall obtain insurance only to the extent commercially available and reasonably priced for a contractor of Contractor's size and scope. Any insurance requirement shall not be a condition of engagement unless Company provides reimbursement or Contractor has suitable existing coverage.

18. Termination Asymmetry and Final Payment Withholding (Sections 6.4, 9.3, 10.3)

Current Problem

Section 6.4: "The engagement is at will and may be terminated by either Party at any time, with or without cause and with or without notice"

Section 9.3: "Company may withhold any final payment otherwise due until it receives the certification, to the extent permitted by applicable law."

Section 10.3: "For thirty (30) days following termination, Contractor shall provide reasonable transition assistance ... at Contractor's most recent rate for time actually worked."

While termination is formally symmetric, the consequences are heavily asymmetric: Company can withhold final payment pending certification, set off amounts under §13.6, and demand 30 days of transition assistance. Contractor cannot withhold work product for non-payment under §10.2.

Counter-Proposed Language

9.3 Final Payment. Company shall pay all undisputed amounts due to Contractor within fifteen (15) days of the termination date, regardless of whether Contractor has provided a termination certification. Company may withhold an amount reasonably in dispute pending resolution, but shall not withhold undisputed amounts. Undisputed amounts withheld beyond fifteen (15) days accrue interest at the lesser of one and one-half percent (1.5%) per month or the maximum rate permitted by applicable law.

10.3 Transition Assistance. For thirty (30) days following termination, Contractor shall provide reasonable transition assistance at Contractor's most recent rate for time actually worked, provided that (a) such assistance is requested by Company in writing within the thirty-day period, (b) Contractor's participation is voluntary and may be declined without penalty, and (c) any transition assistance does not require Contractor to disclose Confidential Information to a third party or execute additional agreements.

Reciprocal Obligation. Upon termination, Company shall promptly provide Contractor with written confirmation of the termination date, a statement of all undisputed amounts due, and written authorization for Contractor to remove Company systems access credentials from Contractor's devices.

19. Jury Trial Waiver (Section 16.4)

Current Problem

Section 16.4: "To the fullest extent permitted by law, each Party knowingly, voluntarily, and irrevocably waives any right to a trial by jury in any proceeding arising out of or relating to this Agreement."

Juries tend to be more sympathetic to individual contractors than judges. Formal waiver is "mutual" but practical effect is one-sided given the resource imbalance.

Counter-Proposed Language

16.4 Jury Trial Right. Each Party expressly reserves its right to a trial by jury in any proceeding arising out of or relating to this Agreement. No waiver of jury trial shall be implied by this Agreement or the conduct of either Party.

Fallback position — if they insist on waiver, make truly mutual:

16.4 Jury Trial. Each Party knowingly and voluntarily waives any right to a trial by jury in any proceeding arising out of or relating to this Agreement. This waiver is mutual, binding on both Parties equally, and applies to all claims, counterclaims, cross-claims, and third-party claims regardless of legal theory. Neither Party may withdraw this waiver without the written consent of the other Party.

20. Construction Against Drafter (Section 18.8)

Current Problem

Section 18.8: "No rule of construction against the drafting Party applies; each Party has had the opportunity to consult counsel of their choosing."

Waives the contra proferentem doctrine, which would normally interpret ambiguities against the party that drafted the contract. This is inappropriate in a form contract presented on a take-it-or-leave-it basis. The recital that "each Party has had the opportunity to consult counsel" is aspirational.

Counter-Proposed Language

18.8 Construction. This Agreement shall be construed in accordance with the principles of applicable law, including but not limited to the principle that ambiguities in a contract are construed against the party that drafted it. If both Parties have contributed to drafting provisions of this Agreement through negotiation and revision, such negotiated provisions shall be construed without regard to which Party drafted the initial version.

21. Force Majeure Gap (Section 18.11)

Current Problem

Section 18.11: Lists obligations that are **NOT** excused by force majeure (Confidentiality, IP ownership, payment, non-compete) but **never explicitly states that force majeure DOES excuse service obligations**.

Silent omission. If there's a pandemic, natural disaster, infrastructure outage, or other event preventing performance, the Company can argue that "because force majeure is not mentioned as an excuse for service obligations, Contractor is still liable." They could claim you breached by not delivering, while simultaneously claiming their own obligations (like payment) are excused.

Counter-Proposed Language

18.11 Force Majeure. Neither Party shall be liable for any failure or delay in performing its obligations under this Agreement (except payment obligations) if such failure or delay is caused by events beyond such Party's reasonable control, including but not limited to: acts of God, natural disasters, war, terrorism, riots, pandemics, government orders, embargoes, labor disputes, telecommunications or internet outages, power failures, or equipment failures not caused by negligence. The affected Party shall promptly notify the other Party and use commercially reasonable efforts to mitigate the impact. Force majeure does not excuse: (a) payment obligations, which are excused only if payment systems are unavailable; (b) obligations under Sections 2 (Confidentiality), 3 (IP Ownership), and 12 (Restrictive Covenants). If a force majeure event continues for more than sixty (60) days, either Party may terminate this Agreement without liability.

Summary of Changes

#	Section	Current	Proposed	Priority
1	1.4 / 3.3 / 3.6	IP assigned for "reasonably anticipated business," post-term, non-working hours, at moment of conception	Narrowed to work created during Term, using their resources, for specific Services; assignment on delivery + payment	CRITICAL
2	12.2–12.6	12-month non-compete on broad B2B SaaS field; tolling extends period; non-solicit catches passive business and hiring from general ads	6 months, 5 named competitors, only if using CI; delete tolling; narrow non-solicit; protect general job postings	HIGH
3	13.4 / 13.5 / 13.6	Uncapped liability; one-way unlimited indemnification not limited by insurance or liability cap; unilateral set-off	Mutual indemnification capped at 12 months of fees; consequential damages excluded; set-off only after judgment	CRITICAL
4	16.6	1 year for Contractor, unlimited for Company	3 years symmetric	HIGH
5	15.1 / 15.3 / 16.1	Missouri law, Missouri courts, waive local law	Contractor's home state or neutral arbitration	HIGH
6	4.2	Perpetual non-compete disguised as IP — "competitive with," no time limit, independent of §12	Delete or limit to CI protection only; no restriction on competitive work; does not survive termination	CRITICAL
7	2.10	Perpetual ban on confirming engagement, portfolio use, listing as reference	Allow post-term confirmation, references, and portfolio with CI protections; Company cooperation on consent	CRITICAL
8	12.7	Must share full contract text with every prospective employer; Company can notify (blacklist) employers	Delete entirely; fallback: 30-day notice of competitive engagement only	CRITICAL
9	10.2 / 18.9	No right to withhold work for non-payment; sole remedy is lawsuit	Right to suspend work and withhold undelivered product after 30-day cure for non-payment	CRITICAL
10	13.3 / 13.4	Prevailing-party fees + Company gets additional DTSA fees; one-way indemnification	Each party bears own fees (or symmetric prevailing-party); indemnification made mutual	HIGH
11	3.7	Perpetual further assurances, free labor, "anywhere in the world"	Limit to 24 months post-term; compensate at rate; virtual or local only; cap time	HIGH
12	18.5	Company can freely assign; Contractor cannot delegate at all	Mutual consent for non-affiliate assignment; Contractor may subcontract with notice	HIGH
13	18.6			HIGH

#	Section	Current	Proposed	Priority
		Clients, affiliates, successors can enforce NDA/IP/non-compete directly against Contractor	Affiliates only; confidentiality only; Company remains primarily responsible	
14	Signatures	Individual signer personally bound for NDA/IP/non-compete even if Contractor is entity	Entity-only liability; individual signs as representative only	HIGH
15	2.9	Per-use AI tool approval + written logs required	Permit commercial AI tools without per-use approval; no CI submission; maintain tool list	HIGH
16	6.1 / 3.1	Explicitly denies partnership/joint venture/ownership; assigns all IP; "sufficient consideration"	Carve-out for co-founder status, equity, and revenue share via separate Co-Founder Agreement	CRITICAL
17	7.6 / 14	Audit at Contractor's expense; \$3M insurance at Contractor's expense	Company pays for audits/pen tests; insurance reimbursed or waived	MEDIUM
18	6.4 / 9.3 / 10.3	Withhold final payment for certification; demand 30-day transition; no reciprocal obligations	Pay undisputed amounts in 15 days with late interest; transition is voluntary; reciprocal notice	MEDIUM
19	16.4	Mutual jury trial waiver (practical effect: favors Company)	Reserve right to jury trial	MEDIUM
20	18.8	Waive construction against drafter — ambiguities don't favor Contractor	Restore contra proferentem for drafted clauses; neutral for negotiated ones	MEDIUM

Priority Ranking for Negotiation

Non-Negotiable (Walk Away If Not Conceded)

1. **§1.4 / §3.3 / §3.6** — IP definition and post-term carve-outs. Affects your entire future career.
2. **§4.2** — Perpetual non-compete. Career-ending if left in place.
3. **§6.1 / §3.1 / §18.12** — Co-founder carve-out. Without this, you have no legal basis for equity or revenue share.
4. **§10.2 / §18.9** — Payment leverage. Without it, you deliver for free and sue in Missouri within 1 year.

Important (Fight Hard, Concede Only With Offset)

1. **§13.4 / §13.5** — Liability cap and mutual indemnification. Financial exposure.
2. **§2.10** — Portfolio ban. Professional reputation and career credibility.
3. **§12.7** — Forced employer disclosure. Effectively poison pills future employment.
4. **§13.3** — Attorney fees. Discourages self-defense in litigation.

Worth Fighting (Reasonable Compromise Acceptable)

1. **§15.1 / §16.1** — Venue and governing law. Meets them in neutral arbitration.
2. **§12.4** — Non-compete scope. Meet them at 6-12 months with named list.
3. **§3.7** — Further assurances. 24 months + compensation is reasonable.
4. **§18.5 / §18.6** — Assignment and third-party beneficiaries. Symmetry is fair.
5. **§14** — Signatures / personal liability. Entity-only is standard.

Lower Priority (They May Agree Quickly)

1. **§16.6** — Limitations period. Symmetric 3 years is obviously fair.
2. **§2.9** — AI restrictions. Industry standard now permits AI coding assistants.
3. **§7.6 / §14** — Audit costs and insurance. Cost-sharing is reasonable.
4. **§12.2 / §12.3** — Non-solicit scope. Narrowing is standard market practice.

Notes for Negotiation

1. **Lead with goodwill.** Frame these as making the agreement more likely to hold up in court, not as attacking their terms. A judge throwing out an overbroad non-compete doesn't help them — it just creates uncertainty.
2. **The DRAFT disclaimer works in your favor.** They already marked this as requiring counsel review. You're providing the kind of pushback their counsel would flag anyway.
3. **Co-founder deal must come first.** This contract is structurally incompatible with a co-founder arrangement. Do not sign without a Co-Founder Agreement that explicitly grants equity, revenue share, governance rights, and IP carve-outs. The §6.5 carve-out above is the minimum — a full Co-Founder Agreement is ideal.
4. **Exhibit A is your friend.** List all Command Sovereignty code, AgentForms, Lego Ladder, and other pre-existing work as Prior Inventions to explicitly exclude them from assignment. Do NOT check "No Prior Inventions" unless you truly have nothing to exclude.
5. **§4.2 is the hidden killer.** The visible non-compete (§12.4) is 12 months and industry-limited — survivable. The real threat is §4.2, which is perpetual, worldwide, and operates "independent of Section 12." It will outlast the §12.4 restriction and block your career permanently. This is the #1 priority deletion.
6. **§12.7 is an employment poison pill.** Handing this contract to a prospective employer is equivalent to telling them "I am legally restricted and may be sued if I join you." No employer will proceed. Delete it without negotiation.

7. **§10.2 removes all leverage.** You deliver work, they don't pay, your only recourse is a lawsuit in Missouri within 1 year with no liability cap on their side. This is a trap. The 30-day cure period above is standard and reasonable.
8. **Personal liability (§14) defeats the LLC.** If you operate through an entity, the whole point of limited liability is destroyed by the individual capacity execution. Entity-only liability is standard practice.
9. **AI restrictions (§2.9) are becoming unreasonable.** Virtually all professional developers use AI coding assistants. Requiring per-use approval is impractical and will slow delivery. The counter above permits standard tools while protecting CI.
10. **Negotiate in priority order.** Lead with the Non-Negotiable items. If they push back on §4.2, offer to keep a narrow, time-limited version. If they push back on §10.2, offer to limit the suspension right to material non-payment (>\$5,000). But do not concede on IP definition, co-founder carve-out, or §4.2 deletion.

This counter-proposal is for negotiation purposes and does not constitute legal advice. Review with licensed counsel before signing or negotiating.