
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, DC 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): October 1, 2023

NorthStar Healthcare Income, Inc.

(Exact name of Registrant as Specified in its Charter)

Maryland
(State or other jurisdiction of
incorporation)

000-55190
(Commission File Number)

27-3663988
(I.R.S. Employer
Identification No.)

**16 East 34th Street, 18th Floor,
New York, NY 10016**
(Address of Principal Executive Offices, Including Zip Code)

(929) 777-3135
(Registrant's telephone number, including area code)

N/A
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common stock, par value \$0.01 per share	None	None

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

Resignation and Appointment of Officers

Effective October 1, 2023, the board of directors (the “Board”) of NorthStar Healthcare Income, Inc. (the “Company”) appointed Ann B. Harrington as the Company’s General Counsel and Secretary. Ms. Harrington, age 42, previously served as Managing Director, General Counsel and Secretary of NRF Holdco, LLC, the Company’s former sponsor, a position she held from March 2022 to September 2023. Prior to this role, Ms. Harrington was a Managing Director, Deputy General Counsel of the Company’s then sponsor, DigitalBridge Group, Inc. (f/k/a Colony Capital, Inc. and NorthStar Asset Management Group Inc.), a position she held from March 2019 to February 2022, and previously served as Senior Vice President, Deputy General Counsel since January 2017 and as Senior Corporate Counsel from January 2015 to January 2017. During this period, Ms. Harrington also served as the Company’s General Counsel and Secretary, from May 2016, and Interim Chief Executive Officer and President, from August 2022, through the completion of the Company’s internalization on October 21, 2022. Prior to joining NorthStar Asset Management Group Inc., Ms. Harrington served as an associate in the Corporate and Financial Services Group of Willkie Farr & Gallagher LLP from September 2008 through December 2014, where she advised public and private corporate clients with respect to capital markets transactions, mergers and acquisitions, securities laws compliance, corporate governance and other general corporate matters. Ms. Harrington holds a Bachelor of Arts from Princeton University and a Juris Doctor from The Ohio State University Moritz College of Law.

Ms. Harrington will receive an annual base salary of \$360,000. Ms. Harrington will initially be eligible for annual cash incentive compensation at 50% (threshold), 100% (target) and 150% (maximum) of \$240,000, subject to annual review commencing in 2024. For 2023, Ms. Harrington’s target annual cash incentive compensation opportunity will be \$110,000.

Ms. Harrington was also granted a one-time, long-term incentive award (the “LTIP Award”) having a total target award value of \$1,000,000 that, subject to her continued employment with the Company through December 31, 2025, will vest 25% on such date and the remaining 75% will vest on such date if and to the extent certain performance criteria are to be achieved. The payout opportunity for the performance component of the LTIP Award ranges from zero to 150% of the target value, depending upon the amounts distributed to stockholders, or available to be distributed to stockholders as determined by the Board in its sole discretion, over the vesting period. If, prior to the vesting date, (a) her employment is terminated because of her death or disability, by the Company without cause or by her for good reason, a pro rata portion of the award will vest or (b) a change of control occurs, the award will vest and be paid following the change of control based on the level of achievement of the performance goal as of the change of control.

Ms. Harrington will also receive severance if her employment is terminated by the Company without cause or by her for good reason equal to continued payment of her annual base salary for twelve months following termination, and a prorated amount of the target annual cash incentive compensation.

The Company and Ms. Harrington have entered into a Restrictive Covenant Agreement that subjects Ms. Harrington to noncompetition restrictions during employment and for a period of six months following a termination of Ms. Harrington’s employment for cause or by Ms. Harrington without good reason, as well as noninterference restrictions and nonsolicitation restrictions during employment and for a period of twelve months following termination of Ms. Harrington’s employment for any reason, and certain confidentiality and nondisparagement restrictions during employment and thereafter.

In connection with Ms. Harrington’s appointment, on October 1, 2023, Nicholas R. Balzo resigned solely as Secretary of the Company, and not as a result of any disagreement with the Company on any matter relating to the Company’s operations, policies or practices. Mr. Balzo continues to serve as the Company’s Chief Financial Officer and Treasurer.

The foregoing description of the employment arrangements with Ms. Harrington does not purport to be complete and is subject to, and qualified in its entirety by, the full text of the offer letter and the Restrictive Covenant Agreement, which are attached as Exhibit 10.1 and 10.2, respectively, to this Current Report on Form 8-K and incorporated herein by reference. The foregoing description of the LTIP Award does not purport to be complete and is subject to, and qualified in its entirety by, the full text of the Form of Long-Term Incentive Award Agreement, which is attached Exhibit 10.1 to the Current Report on Form 8-K filed with the SEC on March 9, 2023, and incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
10.1	Offer Letter, dated September 30, 2023, from NorthStar Healthcare Income, Inc. to Ann Harrington
10.2	Restrictive Covenant Agreement, dated October 1, 2023, between NorthStar Healthcare Income, Inc. and Ann B. Harrington
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NorthStar Healthcare Income, Inc.

Date: October 4, 2023

By: /s/ Nicholas R. Balzo
Nicholas R. Balzo
Chief Financial Officer and Treasurer



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September 30, 2023

VIA EMAIL

Ann Harrington

Dear Ann:

On behalf of NorthStar Healthcare Income, Inc. (the “**Company**”), the purpose of this employment letter is to confirm the terms of your offer of employment with the Company.

The term of your employment will commence on October 1, 2023 and will continue until it is terminated as provided herein (the period during which you are employed is hereinafter referred to as the “**Term**”). During the Term, you will serve as the General Counsel of the Company, and will have duties and responsibilities typically associated with such title, together with such other duties and responsibilities consistent with your position as reasonably assigned to you from time to time by the Board of Directors of the Company (the “**Board**”). You will report directly to the Chief Executive Officer.

Your employment will be located in New York, New York or remote, although you understand and agree that you will be required to spend sufficient time at the Company’s offices and elsewhere to effectively perform your duties and responsibilities and that you may be required to travel from time to time for business reasons.

As a condition of your employment with the Company, you agree to observe and comply with all of the generally applicable rules, regulations, policies and procedures established by the Company from time to time, as well as all applicable laws and all rules and regulations imposed by any governmental regulatory authority from time to time. Without limiting the foregoing, you agree that during the Term, you will devote your full business time, attention, skill and best efforts to the performance of your employment duties and you are not to engage in any other business or occupation. Notwithstanding the foregoing, nothing herein will preclude you from (i) serving, with the prior written consent of the Board, as a member of up to two (2) boards of directors or advisory boards (or their equivalents in the case of a non-corporate entity) of non-competing businesses and charitable organizations, (ii) engaging in charitable activities and community affairs, and (iii) managing your personal investments and affairs; *provided, however*, that the activities set out in clauses (i), (ii), and (iii) will be limited by you so as not to materially interfere, individually or in the aggregate, with the performance of your duties and responsibilities hereunder.

Your annual base salary will be \$360,000. Your base salary will be payable in accordance with the Company’s regular payroll practices.

During each year of your employment with the Company, you will be eligible to earn an annual incentive bonus, with an initial target bonus amount equal to \$240,000, and with a threshold bonus amount equal to 50% of the target bonus, and a maximum bonus amount equal to 150% of the target bonus, payable at the discretion of the Board based on achievement of Company (weighted 70%) and individual (weighted 30%) performance targets established by the Board.

For 2023, your target annual bonus amount will be \$110,000. Your target bonus amount will be reviewed annually by the Board prior to the end of the calendar year commencing Dec 31, 2024. In addition, you may be eligible for an additional discretionary bonus, as determined in the sole discretion of the Board, to the extent additional roles and responsibilities are assumed by you beyond those typically associated with the role as General Counsel and Secretary of the Company. The payment of any annual bonus described herein will be made at the same time annual bonuses are generally paid to other similarly situated employees of the Company and will be subject to your continued employment with the Company through the applicable payment date, unless otherwise provided herein.

You will also be granted a one-time, long-term incentive award (the “*LTIP Award*”), having a total target award opportunity of \$1,000,000. The LTIP Award will be subject to the terms and conditions of the Company’s Amended and Restated Long Term Incentive Plan (the “*Plan*”) and an award agreement in a form reasonably acceptable to the Company, which will generally provide that, subject to your continued employment with the Company through December 31, 2025, 25% of the LTIP Award will vest on such date, and the remaining 75% of the LTIP Award will vest on such date if and to the extent certain specified performance criteria are achieved, subject to accelerated vesting in certain circumstances including termination without Cause (as defined below), for Good Reason (as defined below), or due to death or Disability (as defined below), to be specified in the LTIP Award agreement. The LTIP Award, if earned, will be paid in cash, less applicable withholdings, on or promptly following December 31, 2025, and in all events before March 15, 2026.

You will be eligible to participate in all employee benefits plans from time to time adopted by the Company and in effect for similarly situated employees of the Company. In addition, you will be entitled to paid vacation, to be accrued and taken in accordance with applicable Company policy. Notwithstanding the foregoing, the Company expressly reserves the right to amend, modify or terminate any employee benefit plan or policy at any time, with or without notice.

The nature of your employment at the Company is “at will,” as defined by applicable law, meaning that either the Company or you may terminate your employment at any time, with or without notice, for any reason or for no reason. We do ask, however, that you give thirty (30) days’ notice if you decide to terminate your employment without Good Reason (as defined below); *provided* that the Company may, in its sole and absolute discretion, by written notice accelerate such date of termination without changing the characterization of such termination. Upon any termination of your employment for any reason, except as otherwise expressly provided in this employment letter, no further payments by the Company to you will be due other than accrued but unpaid base salary through the applicable date of your termination, and any other accrued compensation or benefits to which you may be entitled pursuant to the terms of benefit plans in which you participate at the time of such termination (excluding any employee benefit plan providing for severance or similar benefits) or pursuant to applicable law.

Although the Company expressly reserves the right to terminate your employment at any time and for any reason, should your employment with the Company be terminated by the Company without Cause (*i.e.*, other than for Cause or on account of your death or Disability), or should you terminate your employment for Good Reason, the Company will continue to pay you your base salary for a period of twelve (12) months, payable in accordance with the Company’s regular payroll practices, and an amount equal to your then-current target annual bonus amount, pro-rated based on the period of employment during the year of such termination, payable in accordance with the Company’s regular payroll practices (collectively, the “*Severance*”).

Benefits”). Notwithstanding any provision herein to the contrary, the payment of the Severance Benefits will be conditioned upon (i) your execution and delivery to the Company of a separation agreement that includes a release of claims in favor of the Company and its affiliates, as well as post-termination non-disparagement, cooperation and other obligations reasonably requested by the Company, which agreement will be in a form that is acceptable to the Company, within the maximum period of time specified in the separation agreement for its execution and delivery, *provided, however*, that in no event will that date be more than sixty (60) days following the date of such termination, and your non-revocation of such separation agreement during the applicable revocation period, and (ii) your continued compliance with the terms of the Restrictive Covenant Agreement (as defined below). If your date of termination and the last day of the applicable revocation period could fall in two separate taxable years, regardless of when you actually execute the separation agreement, payments will not commence until the later taxable year. The Severance Benefits will immediately cease should you fail to comply with the Restrictive Covenant Agreement.

For purposes of this employment letter, the following terms will have the following meanings:

“**Cause**” will mean any of the following acts by you, as determined by the Board: (i) gross neglect of duty, (ii) prolonged absence from duty without the consent of the Company, or your willful failure or refusal to perform your lawful duties in any material respect, (iii) material breach by you of any published Company code of conduct or code of ethics, (iv) your willful misconduct, misfeasance or malfeasance of duty which is reasonably determined to be detrimental to the Company, (v) embezzlement, fraud or material misappropriation of material Company assets or business opportunities, in each case, committed or attempted by you, at your direction, or with your prior actual knowledge, or (vi) your conviction of or pleading guilty or no contest to a felony or any other criminal charge which is reasonably determined to be detrimental to the Company. The determination of the Board as to the existence of “Cause” shall be conclusive on you and the Company.

“**Disability**” will mean that you are (i) unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, or (ii) by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, receiving income replacement benefits for a period of not less than three months under an accident and health plan covering employees of the Company. In the event of a dispute, the determination of whether you are Disabled will be made by the Board and may be supported by the advice of a physician competent in the area to which such Disability relates.

“**Good Reason**” will mean, without your consent, (i) a material diminution in your title, duties, or responsibilities, (ii) a material reduction in your base salary or annual bonus opportunity, (iii) the involuntary relocation of your principal place of employment more than 10 miles from its current location, or (iv) a change in your reporting structure to any officer other than the Chief Executive Officer or the Board of Directors. To terminate your employment for Good Reason, you must provide the Company 10 days’ written notice describing the event giving rise to Good Reason, such notice to be provided within 60 days of the occurrence of such event, during which 10 day period the Company will have a cure right.

As a condition of your employment with the Company pursuant to this employment letter, you acknowledge and agree that prior to the commencement of the Term, you will execute and

deliver to the Company an agreement in a form reasonable acceptable to the Company containing customary covenants regarding confidentiality, trade secrets, invention assignment, non-competition, and non-solicitation of employees, clients and customers (such agreement, the “**Restrictive Covenant Agreement**”).

You acknowledge and agree that the Company may withhold and deposit all federal, state, and local income and employment taxes that are owed with respect to all amounts paid or benefits provided to or for you by the Company.

The payments and benefits provided hereunder are intended to be structured in a manner to avoid the implication of any penalty taxes under Section 409A of the Internal Revenue Code of 1986, as amended (the “**Code**”), and this employment letter will be construed and interpreted in a manner consistent with such intent. In the event that any payment or benefit provided hereunder does not comply with Section 409A of the Code, the Company may amend the terms of this employment letter as necessary to bring such payment or benefit into compliance with Section 409A of the Code. However, in no event will the Company be liable for any additional tax, interest or penalties that may be imposed on you as a result of Section 409A of the Code or any damages for failing to comply with Section 409A of the Code (other than for withholding obligations or other obligations applicable to employers, if any, under Section 409A of the Code). Notwithstanding any provision in this employment letter to the contrary: (i) the payment (or commencement of a series of payments) of any nonqualified deferred compensation (within the meaning of Section 409A of the Code) upon a termination of employment will be delayed until such time as you have also undergone a “separation from service” as defined in Treas. Reg. 1.409A-1(h), at which time such nonqualified deferred compensation (calculated as of the date of your termination of employment) will be paid (or commence to be paid) to you on the schedule set forth in this employment letter as if you had undergone such termination of employment (under the same circumstances) on the date of your ultimate “separation from service,” (ii) any payment otherwise required to be made to you hereunder at any date as a result of the termination of your employment will be delayed for such period of time as may be necessary to meet the requirements of Section 409A(a)(2)(B)(i) of the Code (the “**Delay Period**”), and on the first business day following the expiration of the Delay Period, you will be paid, in a single cash lump sum, an amount equal to the aggregate amount of all payments delayed pursuant to the preceding sentence and any remaining payments not so delayed will continue to be paid pursuant to the payment schedule set forth herein, and (iii) each payment in a series of payments hereunder will be deemed to be a separate payment for purposes of Section 409A of the Code.

This employment letter sets forth the entire agreement between the parties hereto with respect to the subject matter hereof, and supersedes all other agreements and understandings, written or oral, between the parties hereto with respect to the subject matter hereof. Any waiver, amendment or modification of this employment letter will be valid only if made with the prior written consent of the parties hereto, and no waiver will be treated as a waiver with respect to any subsequent occurrences unless such waiver is an express continuing waiver. This employment letter will be binding upon, and will inure to the benefit of, the parties hereto and their respective heirs executors, successors and assigns. You may not transfer, assign, create a lien or otherwise alienate your rights pursuant to this employment letter, and any attempt to do so will be null and void. The Company may assign or transfer this employment letter without your consent. By signing this employment letter, you represent and warrant to the Company that you are under no contractual commitments inconsistent with your obligations to the Company. You expressly acknowledge that you have had the opportunity to obtain independent legal advice

about this employment letter prior to execution, and that, to the extent you failed to do so, you acknowledge that such failure will not be used by you as a defense to the enforcement of this employment letter. This employment letter may be executed in two or more counterparts, each of which will be deemed to be an original but all of which together will constitute one and the same instrument. The execution of this employment letter may be by actual, facsimile or digital signature. This employment letter sets forth the exclusive terms of employment between you and the Company and replaces all prior and contemporaneous communications, agreements and understandings, written or oral, with respect to the terms and conditions of your employment. The provisions of this employment letter will survive any termination of your employment to the extent necessary to give effect thereto. This employment letter is governed by and construed under the laws of the State of Delaware applicable to agreements made and to be performed in that state, without regard to conflict of laws rules.

[Signatures on the following page.]

Sincerely,

/s/ Kendall Young

Name: Kendall Young

Title: Chief Executive Officer

Agreed and Accepted as of this 30th day of September, 2023:

/s/ Ann B. Harrington

Ann B. Harrington

RESTRICTIVE COVENANT AGREEMENT

As a condition of my becoming employed by, or continuing employment with, NorthStar Healthcare Income, Inc. (the “**Company**”), and in consideration of my employment with the Company and my receipt of the compensation now and hereafter paid to me by the Company, I agree to the following:

Section 1. Confidential Information.

(a) Company Group Information. I acknowledge that, during the period of my employment with the Company (the “**Employment Period**”), I will have access to information about the Company and its direct and indirect parents, subsidiaries and affiliates (collectively, the “**Company Group**”) and that my employment with the Company shall bring me into close contact with confidential and proprietary information of the Company Group. In recognition of the foregoing, I agree, at all times during the Employment Period and thereafter, to hold in confidence, and not to use, except for the benefit of the Company Group, or to disclose to any person, firm, corporation, or other entity without prior written authorization of the Company, any Confidential Information that I obtain or create. I further agree not to make copies of such Confidential Information except as authorized by the Company. I understand that “**Confidential Information**” means information that the Company Group has developed, acquired, created, compiled, discovered, or owned or will develop, acquire, create, compile, discover, or own, that has value in or to the business of the Company Group. I understand that Confidential Information includes, but is not limited to, any and all non-public information that relates to the actual or anticipated business and/or products, research, or development of the Company Group, or to the Company Group’s technical data, trade secrets, or know-how, including, but not limited to, research, product plans, or other information regarding the Company Group’s products or services and markets, customer lists, and customers (including, but not limited to, customers of the Company Group on whom I called or with whom I may become acquainted during the Employment Period), software, developments, inventions, processes, formulas, technology, designs, drawings, engineering, hardware configuration information, marketing, finances, and other business information disclosed by the Company Group either directly or indirectly in writing, orally, or by drawings or inspection of premises, parts, equipment, or other Company Group property. Notwithstanding the foregoing, Confidential Information shall not include (i) any of the foregoing items that have become publicly and widely known through no unauthorized disclosure by me or others who were under confidentiality obligations as to the item or items involved or (ii) any information that I am required to disclose to, or by, any governmental or judicial authority; *provided, however*, that in such event I will give the Company prompt written notice thereof so that the Company Group may seek an appropriate protective order and/or waive in writing compliance with the confidentiality provisions of this Restrictive Covenant Agreement (this “**Agreement**”).

(b) Former Employer Information. I represent that my performance of all of the terms of this Agreement as an employee of the Company has not breached and will not breach any agreement to keep in confidence proprietary information, knowledge, or data acquired by me in confidence or trust prior or subsequent to the commencement of my employment with the Company, and I will not disclose to any member of the Company Group, or induce any member of the Company Group to use, any developments, or confidential or proprietary information or material I may have obtained in connection with employment with any prior employer in violation of a confidentiality agreement, nondisclosure agreement, or similar agreement with such prior employer; *provided however* that this restriction shall not apply to my duties in transitioning from my employment with NRF Holdco, LLC to my new employment with the Company. During the Employment Period, I will not improperly make use of, or disclose, any developments, or confidential or proprietary information or material of any prior employer or other third party, nor will I bring onto the premises of the Company or use any unpublished

documents or any property belonging to any prior employer or other third party, in violation of any lawful agreements with that prior employer or third party. I will use in the performance of my duties only information that is generally known and used by persons with training and experience comparable to my own, is common knowledge in the industry or otherwise legally in the public domain, or is otherwise provided or developed by the Company.

(c) Third Party Information. I understand that the Company Group has received and in the future may receive from third parties confidential or proprietary information (“**Third Party Information**”) subject to a duty on the Company Group’s part to maintain the confidentiality of such information and to use it only for certain limited purposes. In recognition of the foregoing, I agree, at all times during the Employment Period and thereafter, to hold in confidence and will not disclose to anyone (other than Company Group personnel who need to know such information in connection with their work for the Company Group), and not to use, except for the benefit of the Company Group, Third Party Information without the express prior written consent of an officer of the Company and otherwise treat Third Party Information as Confidential Information.

(d) Whistleblower; Defend Trade Secrets Act Disclosure.

(i) In addition, I understand that nothing in this Agreement shall be construed to prohibit me from (A) filing a charge or complaint with, participating in an investigation or proceeding conducted by, or reporting possible violations of law or regulation to any federal, state or local government agency, (B) truthfully responding to or complying with a subpoena, court order, or legal process, or (C) exercising any right I may have under applicable labor laws to engage in concerted activity with other employees.

(ii) Under the U.S. Defend Trade Secrets Act of 2016, 18 U.S.C. § 1833(b) (the “**Act**”), persons who disclose trade secrets in connection with lawsuits or other proceedings under seal (including lawsuits alleging retaliation), or in confidence to a federal, state or local government official, or attorney, solely for the purpose of reporting or investigating a suspected violation of the law, enjoy immunity from civil and criminal liability under state and federal trade secrets law for such disclosure. I acknowledge that I have hereby received adequate notice of this immunity, such that the Company is entitled to all remedies available for violations of the Act, including exemplary damages and attorney fees. Nothing in the Agreement is intended to conflict with the Act or create liability for disclosures of trade secrets that are expressly allowed by the Act.

(iii) Notice. *“An individual shall not be held criminally or civilly liable under any Federal or state trade secret law for the disclosure of a trade secret that is made in confidence to a Federal, state, or local government official or to an attorney solely for the purpose of reporting or investigating a suspected violation of law. An individual shall not be held criminally or civilly liable under any Federal or state trade secret law for the disclosure of a trade secret that is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. An individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual files any document containing the trade secret under seal; and does not disclose the trade secret, except pursuant to court order.”*

Section 2. Inventions.

(a) Developments Retained and Licensed. I have attached hereto, as Schedule A, a list describing with particularity all developments, inventions, concepts, know-how, original works of authorship, improvements, trade secrets, methodology, algorithms, software, processes,

formulas, designs, drawings and other technological advancements and implementations that I can demonstrate were created or owned by me prior to the commencement of the Employment Period (collectively referred to as “**Prior Developments**”), which belong solely to me or belong to me jointly with another, that relate in any way to any of the actual or proposed businesses, products, or research and development of any member of the Company Group, and that are not assigned to the Company hereunder, or if no such list is attached, I represent that there are no such Prior Developments. If, during any period during which I perform or performed services for the Company Group both before or after the date hereof (the “**Assignment Period**”), whether as an officer, employee, director, independent contractor, consultant, or agent, or in any other capacity, I incorporate (or have incorporated) into a Company Group product or process a Prior Development owned by me or in which I have an interest, I hereby grant each member of the Company Group, and each member of the Company Group shall have, a non-exclusive, royalty-free, irrevocable, perpetual, transferable worldwide license (with the right to sublicense) to make, have made, copy, modify, make derivative works of, use, sell, and otherwise distribute such Prior Development as part of, or in connection with, such product or process.

(b) Assignment of Inventions. Without additional compensation, I agree to assign, and hereby do assign, to the Company all rights, title and interest throughout the world in and to all Inventions (as defined below) which I may solely or jointly conceive, create, invent, develop, modify, compile or reduce to practice, at any time during the Assignment Period, whether or not during regular working hours, provided they either (i) relate at the time of conception, development or reduction to practice to the business of any member of the Company Group, or the actual or anticipated research or development of any member of the Company Group; (ii) result from or relate to any work performed for any member of the Company Group; or (iii) are developed through the use of equipment, supplies, or facilities of any member of the Company Group, or any Confidential Information, or in consultation with personnel of any member of the Company Group (collectively referred to as “**Company IP Rights**”). I understand that “**Inventions**” means inventions, concepts, know-how, developments, original works of authorship, improvements, trade secrets, methodology, algorithms, software, processes, formulas, designs, drawings and other technological advancements and implementations. I agree that I will promptly make full written disclosure to the Company of any Company IP Rights I participate in conceiving, creating, inventing, developing, modifying, compiling or reducing to practice during the Assignment Period. I further acknowledge that, to the greatest extent permitted by applicable law, all Company IP Rights made by me (solely or jointly with others) within the scope of and during the Assignment Period are “works made for hire” for which I am, in part, compensated by my salary, unless regulated otherwise by law. If any Company IP Rights cannot be assigned, I hereby grant to the Company Group an exclusive, assignable, irrevocable, perpetual, worldwide, sublicenseable (through one or multiple tiers), royalty-free, unlimited license to use, make, modify, sell, offer for sale, reproduce, distribute, create derivative works of, publicly perform, publicly display and digitally perform and display such work in any media now known or hereafter known. Outside the scope of my service, whether during or after the Employment Period, I agree not to (i) modify, adapt, alter, translate, or create derivative works from any such work of authorship or (ii) merge any such work of authorship with other Company IP Rights. To the extent rights related to paternity, integrity, disclosure and withdrawal (collectively, “**Moral Rights**”) may not be assignable under applicable law and to the extent the following is allowed by the laws in the various countries where Moral Rights exist, I hereby irrevocably waive such Moral Rights and consent to any action of the Company Group that would violate such Moral Rights in the absence of such consent.

(c) Maintenance of Records. I agree to keep and maintain adequate and current written records of all Company IP Rights made by me (solely or jointly with others) during the Assignment Period. The records may be in the form of notes, sketches, drawings, flow charts, electronic data or recordings, and any other format. The records will be available to and remain the sole property of the Company Group at all times. I agree not to remove such records from

the Company's place of business except as expressly permitted by Company Group policy, which may, from time to time, be revised at the sole election of the Company Group for the purpose of furthering the business of the Company Group.

(d) Intellectual Property Rights. I hereby agree to assist the Company, or its designee, at the Company's expense, in every way to secure the rights of the Company Group in the Company IP Rights and any copyrights, patents, trademarks, service marks, database rights, domain names, mask work rights, moral rights, and other intellectual property rights relating thereto in any and all countries, including the disclosure to the Company of all pertinent information and data with respect thereto, the execution of all applications, specifications, oaths, assignments, recordations, and all other instruments that the Company shall deem necessary in order to apply for, obtain, maintain, and transfer such rights and in order to assign and convey to the Company Group the sole and exclusive right, title, and interest in and to such Company IP Rights, and any intellectual property and other proprietary rights relating thereto. I further agree that my obligation to execute or cause to be executed, when it is in my power to do so, any such instrument or papers shall continue after the Assignment Period until the expiration of the last such intellectual property right to expire in any country of the world; *provided, however*, that the Company shall reimburse me for my reasonable expenses incurred in connection with carrying out the foregoing obligation. If the Company is unable because of my mental or physical incapacity or unavailability for any other reason to secure my signature to apply for or to pursue any application for any United States or foreign patents or copyright registrations covering Company IP Rights or original works of authorship assigned to the Company as above, then I hereby irrevocably designate and appoint the Company and its duly authorized officers and agents as my agent and attorney in fact to act for and in my behalf and stead to execute and file any such applications or records and to do all other lawfully permitted acts to further the application for, prosecution, issuance, maintenance, and transfer of letters patent or registrations thereon with the same legal force and effect as if originally executed by me. I hereby waive and irrevocably quitclaim to the Company any and all claims, of any nature whatsoever, that I now or hereafter have for past, present, or future infringement of any and all proprietary rights assigned to the Company.

(e) State Non-assignable Invention Exemptions. Solely to the extent that I (i) was or am an employee of the Company and (ii) was or am based in California, Illinois, Kansas, Minnesota, Washington or any other state that has enacted laws concerning employee non-assignability of inventions, or otherwise entitled to the benefits of the state statutes of California, Illinois, Kansas, Minnesota, Washington or any other state that has enacted laws concerning employee non-assignability of inventions, during the Employment Period, then, to the extent the assignment of Company IP Rights to the Company in this Section 1(d)(iii) can be construed to cover inventions excluded under the appropriate state statutes (including, but not limited to, California Labor Code Sec. 2870, Illinois Employee Patent Act, 765 ILCS 1060, Kansas Statute K.S.A. §44-130, Minn. Stat. § 181.78, and Sec. 2, Revised Code of Washington Section 49.44.140(1), the full terms of each are set forth on Schedule A attached hereto and are each incorporated herein by reference), this Section 1(d)(iii) shall not apply to such inventions.

Section 3. Returning Company Group Documents.

I agree that, at the time of termination of my employment with the Company for any reason, I will deliver to the Company (and will not keep in my possession, recreate, or deliver to anyone else) any and all Confidential Information, Third Party Information and all other documents, materials, information, and property developed by me pursuant to my employment or otherwise belonging to the Company and, if so requested, will certify in writing that I have fully complied with the foregoing obligation. I agree further that I will not copy, delete, or alter any information contained upon my Company computer or Company equipment before I return it to the Company. In addition, if I have used any personal computer, server, or e-

mail system to receive, store, review, prepare or transmit any Company information, including but not limited to, Confidential Information, I agree to provide the Company with a computer-useable copy of all such Company information and then permanently delete and expunge such Company information from those systems; and I agree to provide the Company access to my system as reasonably requested to verify that the necessary copying and/or deletion is completed. I agree further that any property situated on the Company's premises and owned by the Company (or any other member of the Company Group), including disks and other storage media, filing cabinets, and other work areas, is subject to inspection by personnel of any member of the Company Group at any time with or without notice.

Section 4. Disclosure of Agreement.

As long as it remains in effect, I will disclose the existence of this Agreement to any prospective employer, partner, co-venturer, investor, or lender prior to entering into an employment, partnership, or other business relationship with such person or entity. I also consent to the notification of my prospective employer, partner, co-venturer, investor, or lender of my rights and obligations under this Agreement, by the Company providing a copy of this Agreement or otherwise.

Section 5. Publicity.

I hereby consent to any and all uses and displays by the Company Group of my name, voice, likeness, image, appearance and biographical information in or in connection with any printed, electronic or digital materials, including, without limitation, any pictures, audio or video recordings, digital images, websites, television programs, advertising, sales or marketing brochures, printed materials and computer media, throughout the world and at any time during or after the Employment Period for all legitimate business purposes of the Company Group (the "*Permitted Use*"). I hereby forever release the Company Group and each of their respective current or former directors, officers, employees, shareholders, representatives and agents from any and all claims, actions, damages, losses, costs, expenses and liability of any kind arising under any legal or equitable theory whatsoever at any time during or after the Employment Period in connection with any Permitted Use.

Section 6. Restrictions on Interfering.

(a) Non-Competition. During the Non-Compete Restricted Period, I shall not, directly or indirectly, individually or on behalf of any person, company, enterprise, or entity, or as a sole proprietor, partner, shareholder, director, officer, principal, agent, or executive, or in any other capacity or relationship, engage in any Competitive Activities, within the United States or any other jurisdiction in which the Company Group is actively engaged in business.

(b) Non-Interference. During the Non-Interference Restricted Period, I shall not, directly or indirectly for my own account or for the account of any other individual or entity, engage in Interfering Activities.

(c) Definitions. For purposes of this Agreement:

(i) "*Business Relation*" shall mean any current or prospective client, customer, licensee, or other business relation of the Company Group, or any such relation that was a client, customer, licensee, supplier, or other business relation within the six (6) month period prior to the termination of the Employment Period, in each case, to whom I provided services, or with whom I transacted business, or whose identity became known to me in connection with my relationship with or employment by the Company.

(ii) “**Competitive Activities**” shall mean any business activity that is competitive with the then-current or demonstrably planned business activities of the Company Group.

(iii) “**Interfering Activities**” shall mean (A) encouraging, soliciting, or inducing, or in any manner attempting to encourage, solicit, or induce, any Person employed by, or providing consulting services to, any member of the Company Group to terminate such Person’s employment or services (or in the case of a consultant, materially reducing such services) with the Company Group; (B) hiring any individual who was employed by the Company Group within the six (6) month period prior to the date of such hiring, provided that the aforementioned six (6) month period shall not apply in the case of a wind-down of the business of the Company Group, such that I shall be permitted to hire any individual who was employed by, but has been terminated by, the Company Group as of the date of such hire; or (C) encouraging, soliciting, or inducing, or in any manner attempting to encourage, solicit, or induce, any Business Relation to cease doing business with or reduce the amount of business conducted with any member of the Company Group, or in any way interfering with the relationship between any such Business Relation and any member of the Company Group.

(iv) “**Non-Compete Restricted Period**” shall mean the period commencing on the date hereof and ending on (x) the six (6) month anniversary of the date of a termination of the Employment Period, other than a termination by the Company without Cause (as defined in the employment letter agreement with the Company Group, of even date herewith) or a termination by me for Good Reason (as defined in the employment letter agreement with the Company Group, of even date herewith), or (y) the date of a termination of the Employment Period by the Company without Cause or by me for Good Reason.

(v) “**Non-Interference Restricted Period**” shall mean the period commencing on the date hereof and ending on the twelve (12) month anniversary of the date of any termination of the Employment Period.

(vi) “**Person**” shall mean any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust (charitable or non-charitable), unincorporated organization, or other form of business entity.

(d) Non-Disparagement. I agree that during the Employment Period, and at all times thereafter, I will not make any disparaging or defamatory comments regarding any member of the Company Group or its respective current or former directors, officers, employees or shareholders in any respect or make any comments concerning any aspect of my relationship with any member of the Company Group or any conduct or events which precipitated any termination of my employment from the Company. However, my obligations under this subsection (d) shall not apply to disclosures required by applicable law, regulation, or order of a court or governmental agency.

Section 7. Reasonableness of Restrictions.

I acknowledge and recognize the highly competitive nature of the Company’s business, that access to Confidential Information renders me special and unique within the Company’s industry, and that I will have the opportunity to develop substantial relationships with existing and prospective clients, accounts, customers, consultants, contractors, investors, and strategic partners of the Company Group during the course of and as a result of my employment with the Company. In light of the foregoing, I recognize and acknowledge that the restrictions and limitations set forth in this Agreement are reasonable and valid in geographical and temporal scope and in all other respects and are essential to protect the value of the business and assets of the Company Group. I acknowledge further that the restrictions and limitations set

forth in this Agreement will not materially interfere with my ability to earn a living following the termination of the Employment Period and that my ability to earn a livelihood without violating such restrictions is a material condition to my employment with the Company.

Section 8. Independence; Severability; Blue Pencil.

Each of the rights enumerated in this Agreement shall be independent of the others and shall be in addition to and not in lieu of any other rights and remedies available to the Company Group at law or in equity. If any of the provisions of this Agreement or any part of any of them is hereafter construed or adjudicated to be invalid or unenforceable, the same shall not affect the remainder of this Agreement, which shall be given full effect without regard to the invalid portions. If any of the covenants contained herein are held to be invalid or unenforceable because of the duration of such provisions or the area or scope covered thereby, I agree that the court making such determination shall have the power to reduce the duration, scope, and/or area of such provision to the maximum and/or broadest duration, scope, and/or area permissible by law, and in its reduced form said provision shall then be enforceable.

Section 9. Injunctive Relief.

I expressly acknowledge that, because my services are personal and unique and because I will have access to Confidential Information, any breach or threatened breach of any of the terms and/or conditions set forth in this Agreement may result in substantial, continuing, and irreparable injury to the members of the Company Group for which monetary damages would not be an adequate remedy. Therefore, I hereby agree that, in addition to any other right or remedy that may be available to the Company in law or in equity, any member of the Company Group shall be entitled to injunctive relief, specific performance, or other equitable relief by a court of appropriate jurisdiction in the event of any breach or threatened breach of the terms of this Agreement without the necessity of proving irreparable harm or injury as a result of such breach or threatened breach or posting a bond and without liability should relief be denied, modified or vacated. Notwithstanding any other provision to the contrary, I acknowledge and agree that the Non-Compete Restricted Period and/or the Non-Interference Restricted Period, as applicable, shall be tolled during any period of violation of any of the covenants in Section 6 hereof and during any other period required for litigation during which the Company or any other member of the Company Group seeks to enforce such covenants against me if it is ultimately determined that I was in breach of such covenants.

Section 10. Cooperation.

I agree that, following any termination of my employment, I will continue to provide reasonable cooperation to the Company and/or any other member of the Company Group and its or their respective counsel in connection with any investigation, administrative proceeding, or litigation relating to any matter that occurred during the Employment Period in which I was involved or of which I have knowledge. As a condition of such cooperation, the Company shall reimburse me for reasonable out-of-pocket expenses incurred at the request of the Company with respect to my compliance with this Section. I also agree that, in the event that I am subpoenaed by any person or entity (including, but not limited to, any government agency) to give testimony or provide documents (in a deposition, court proceeding, or otherwise) that in any way relates to my employment by the Company and/or any other member of the Company Group, I will give prompt notice of such request to the Company and will make no disclosure until the Company and/or the other member of the Company Group has had a reasonable opportunity to contest the right of the requesting person or entity to such disclosure.

Section 11. General Provisions.

(a) Governing Law and Jurisdiction. EXCEPT WHERE PREEMPTED BY FEDERAL LAW, THE VALIDITY, INTERPRETATION, CONSTRUCTION, AND PERFORMANCE OF THIS AGREEMENT IS GOVERNED BY AND IS TO BE CONSTRUED UNDER THE LAWS OF THE STATE OF DELAWARE APPLICABLE TO AGREEMENTS MADE AND TO BE PERFORMED IN THAT STATE, WITHOUT REGARD TO CONFLICT OF LAWS RULES. FURTHER, I HEREBY CONSENT TO THE EXCLUSIVE JURISDICTION OF THE STATE AND FEDERAL COURTS LOCATED IN THE STATE OF DELAWARE, AND WAIVE ANY RIGHT TO TRIAL BY JURY, IN CONNECTION WITH ANY DISPUTE ARISING UNDER OR CONCERNING THIS AGREEMENT.

(b) Attorneys' Fees. Should suit be brought to enforce or interpret any part of this Agreement, the prevailing party shall be entitled to recover, as an element of the costs of suit and not as damages, reasonable attorneys' fees to be fixed by the court (including costs, expenses and fees on any appeal).

(c) Entire Agreement. This Agreement sets forth the entire agreement and understanding between the Company and me relating to the subject matter herein and merges all prior discussions between us. No modification or amendment to this Agreement, nor any waiver of any rights under this Agreement, will be effective unless in writing signed by the party to be charged. Any subsequent change or changes in my duties, obligations, rights, or compensation will not affect the validity or scope of this Agreement.

(d) No Right of Continued Employment. I acknowledge and agree that nothing contained herein shall be construed as granting me any right to continued employment by the Company, and the right of the Company to terminate my employment at any time and for any reason, with or without cause, is specifically reserved.

(e) Successors and Assigns. This Agreement will be binding upon my heirs, executors, administrators, and other legal representatives and will be for the benefit of the Company, its successors, and its assigns. I expressly acknowledge and agree that this Agreement may be assigned by the Company without my consent to any other member of the Company Group as well as any purchaser of all or substantially all of the assets or stock of the Company or of any business or division of the Company for which I provide services, whether by purchase, merger, or other similar corporate transaction.

(f) Survival. The provisions of this Agreement shall survive the termination of my employment with the Company and/or the assignment of this Agreement by the Company to any successor in interest or other assignee.

* * *

[Signature to appear on the following page.]

I, Ann B. Harrington, have executed this Restricted Covenant Agreement on the date set forth below:

Date: October 1, 2023

/s/ Ann B. Harrington
(Signature)

Ann B. Harrington
(Type/Print Name)

SCHEDULE A

RESTRICTIVE COVENANT AGREEMENT

INVENTION ASSIGNMENT NOTICE

I am hereby notified that the Restrictive Covenant Agreement does not apply to any invention which qualifies fully for exclusion under the provisions of California Labor Code Sec. 2870, Illinois Employee Patent Act, 765 ILCS 1060, Sec. 2, Kansas Statute K.S.A. §44-130, Minn. Stat. §181.78, Revised Code of Washington Section 49.44.140(1) or any other state statute not listed below concerning employee non-assignability of inventions. The following is the text of each of the aforementioned statutes.

CALIFORNIA LABOR CODE SECTION 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.

ILLINOIS EMPLOYEE PATENT ACT, 765 ILLINOIS COMPILED STATUTES 1060

Employee rights to inventions - conditions. (1) A provision in an employment agreement which provides that an employee shall assign or offer to assign any of the employee's rights in an invention to the employer does not apply to an invention for which no equipment, supplies, facilities, or trade secret information of the employer was used and which was developed entirely on the employee's own time, unless (a) the invention relates (i) to the business of the employer, or (ii) to the employer's actual or demonstrably anticipated research or development, or (b) the invention results from any work performed by the employee for the employer. Any provision which purports to apply to such an invention is to that extent against the public policy of this State and is to that extent void and unenforceable. The employee shall bear the burden of proof in establishing that his invention qualifies under this subsection.

(2) An employer shall not require a provision made void and unenforceable by subsection (1) of this Section as a condition of employment or continuing employment. This Act shall not preempt existing common law applicable to any shop rights of employers with respect to employees who have not signed an employment agreement.

(3) If an employment agreement entered into after January 1, 1984, contains a provision requiring the employee to assign any of the employee's rights in any invention to the employer, the employer must also, at the time the agreement is made, provide a written notification to the employee that the agreement does not apply to an invention for which no equipment, supplies, facility, or trade secret information of the employer was used and which was developed entirely

on the employee's own time, unless (a) the invention relates (i) to the business of the employer, or (ii) to the employer's actual or demonstrably anticipated research or development, or (b) the invention results from any work performed by the employee for the employer.

KANSAS STATUTE K.S.A. SECTION 44-130

Employment agreements assigning employee rights in inventions to employer; restrictions; certain provisions void; notice and disclosure. (a) Any provision in an employment agreement which provides that an employee shall assign or offer to assign any of the employee's rights in an invention to the employer shall not apply to an invention for which no equipment, supplies, facilities or trade secret information of the employer was used and which was developed entirely on the employee's own time, unless:

(1) The invention relates to the business of the employer or to the employer's actual or demonstrably anticipated research or development; or

(2) The invention results from any work performed by the employee for the employer.

(b) Any provision in an employment agreement which purports to apply to an invention which it is prohibited from applying to under subsection (a), is to that extent against the public policy of this state and is to that extent void and unenforceable. No employer shall require a provision made void and unenforceable by this section as a condition of employment or continuing employment.

(c) If an employment agreement contains a provision requiring the employee to assign any of the employee's rights in any invention to the employer, the employer shall provide, at the time the agreement is made, a written notification to the employee that the agreement does not apply to an invention for which no equipment, supplies, facility or trade secret information of the employer was used and which was developed entirely on the employee's own time, unless:

(1) The invention relates directly to the business of the employer or to the employer's actual or demonstrably anticipated research or development; or

(2) the invention results from any work performed by the employee for the employer.

(d) Even though the employee meets the burden of proving the conditions specified in this section, the employee shall disclose, at the time of employment or thereafter, all inventions being developed by the employee, for the purpose of determining employer and employee rights in an invention.

MINNESOTA STATUTES SECTION 181.78

Subdivision 1. Inventions not related to employment. Any provision in an employment agreement which provides that an employee shall assign or offer to assign any of the employee's rights in an invention to the employer shall not apply to an invention for which no equipment, supplies, facility or trade secret information of the employer was used and which was developed entirely on the employee's own time, and (1) which does not relate (a) directly to the business of the employer or (b) to the employer's actual or demonstrably anticipated research or development, or (2) which does not result from any work performed by the employee for the employer. Any provision which purports to apply to such an invention is to that extent against the public policy of this state and is to that extent void and unenforceable.

Subdivision. 2.Effect of subdivision 1. No employer shall require a provision made void and unenforceable by subdivision 1 as a condition of employment or continuing employment.

Subdivision. 3.Notice to employee. If an employment agreement entered into after August 1, 1977 contains a provision requiring the employee to assign or offer to assign any of the employee's rights in any invention to an employer, the employer must also, at the time the agreement is made, provide a written notification to the employee that the agreement does not apply to an invention for which no equipment, supplies, facility or trade secret information of the employer was used and which was developed entirely on the employee's own time, and (1) which does not relate (a) directly to the business of the employer or (b) to the employer's actual or demonstrably anticipated research or development, or (2) which does not result from any work performed by the employee for the employer.

REVISED CODE OF WASHINGTON SECTION 49.44.140

(1) A provision in an employment agreement which provides that an employee shall assign or offer to assign any of the employee's rights in an invention to the employer does not apply to an invention for which no equipment, supplies, facilities, or trade secret information of the employer was used and which was developed entirely on the employee's own time, unless (a) the invention relates (i) directly to the business of the employer, or (ii) to the employer's actual or demonstrably anticipated research or development, or (b) the invention results from any work performed by the employee for the employer. Any provision which purports to apply to such an invention is to that extent against the public policy of this state and is to that extent void and unenforceable.

(2) An employer shall not require a provision made void and unenforceable by subsection (1) of this section as a condition of employment or continuing employment.

(3) If an employment agreement entered into after September 1, 1979, contains a provision requiring the employee to assign any of the employee's rights in any invention to the employer, the employer must also, at the time the agreement is made, provide a written notification to the employee that the agreement does not apply to an invention for which no equipment, supplies, facility, or trade secret information of the employer was used and which was developed entirely on the employee's own time, unless (a) the invention relates (i) directly to the business of the employer, or (ii) to the employer's actual or demonstrably anticipated research or development, or (b) the invention results from any work performed by the employee for the employer.

REVISED CODE OF WASHINGTON SECTION 49.44.150

Even though the employee meets the burden of proving the conditions specified in Revised Code of Washington 49.44.110, the employee shall, at the time of employment or thereafter, disclose all inventions being developed by the employee, for the purpose of determining employer or employee rights. The employer or the employee may disclose such inventions to the department of employment security, and the department shall maintain a record of such disclosures for a minimum period of five years.