

Employee Agreement Addendum: AI-Era Innovation Rights

Purpose

This addendum addresses the ownership, attribution, and compensation for innovations created by employees using AI tools in the course of their employment.

ADDENDUM TO EMPLOYMENT AGREEMENT

****Effective Date****: _____

****Between****: _____ ("Company") and _____ ("Employee")

1. DEFINITIONS

****1.1**** "AI-Assisted Innovation" means any invention, improvement, design, algorithm, process, or creative work developed by Employee with the assistance of AI tools, including but not limited to language models, code assistants, and generative AI systems.

****1.2**** "AI Training Contribution" means any conversation, code, document, or interaction by Employee with AI systems that becomes training data for current or future AI models.

****1.3**** "Innovation Value Period" means the time between Employee's creation of value and the Company's recognition of such value through compensation, typically measured from implementation to equity grant or bonus distribution.

2. OWNERSHIP AND ATTRIBUTION

2.1 Shared Innovation Rights

- Employee retains 15% ownership interest in any AI-Assisted Innovation created during employment
- Company receives 85% ownership and exclusive license to commercialize
- Employee's ownership is non-dilutable and survives termination of employment

2.2 Attribution Rights

- Employee shall be named as inventor/creator on all patents, copyrights, and public disclosures
- Employee's contribution must be acknowledged in any commercialization of the innovation
- Attribution rights are perpetual and non-revocable

2.3 Independent Innovation Protection

- Innovations created entirely outside work hours, without Company resources, and unrelated to Company business remain 100% Employee property
- Employee may document such innovations via external timestamp services before disclosure to Company

3. AI TRAINING DATA PROVISIONS

3.1 Consent and Control

- Company must obtain explicit written consent before using Employee's AI interactions as training data

- Employee may opt-out of AI training data collection without penalty
- Employee retains right to review and request deletion of their AI interaction data

3.2 Training Data Compensation

- If Employee's interactions are used for AI training, Company shall pay additional compensation of:
 - 0.1% of any revenue generated by AI models trained on Employee's data
 - Minimum quarterly payment of \$500 if data is actively used for training

3.3 Protected Categories

The following may never be used as training data without separate written agreement:

- Employee's personal projects or side ventures
- Innovations disclosed in confidence before employment
- Ideas explicitly marked as "personal" or "not for training"

4. VALUE CAPTURE MECHANISMS

4.1 Innovation Bonus Structure

- Immediate filing bonus: \$5,000 upon patent application filing
- Grant bonus: \$10,000 upon patent grant
- Commercialization bonus: 2% of first-year revenue from innovation

4.2 Equity Grant Timing

- Stock options for innovations shall be priced at the valuation BEFORE the innovation's value is recognized
- Alternative: Employee receives "Innovation Units" that capture value from point of creation

4.3 IP Development Fund

- Employee receives annual budget of \$2,000 for personal IP development
- May be used for patent filings, courses, or IP-related expenses
- Unused funds roll over up to \$10,000 maximum

5. AI TOOL ACCESS EQUALITY

5.1 Tool Parity

- Employee shall have access to same tier of AI tools as Company uses
- If Company uses enterprise AI accounts, Employee receives equivalent protection for their innovations

5.2 Personal Use Rights

- Employee may use Company AI tools for personal learning and skill development
- Personal use innovations remain Employee property per Section 2.3

6. DEPARTURE PROVISIONS

6.1 Innovation Portfolio Rights

Upon departure, Employee may:

- Purchase full rights to up to 3 uncommercialized innovations at fair market value

- Retain attribution and shared ownership per Section 2.1
- Access copies of their AI interaction history for personal records

6.2 Non-Compete Carve-Out

- Employee may immediately compete using innovations where they retain ownership rights
- Standard non-compete provisions do not apply to Employee's retained IP

7. TRANSPARENCY AND AUDIT

7.1 Innovation Tracking

- Company shall maintain transparent record of all Employee innovations
- Employee has quarterly review rights to innovation registry
- Disputes resolved through binding arbitration with IP specialist arbitrator

7.2 AI Usage Reporting

- Company provides quarterly reports on:
 - Which AI systems process Employee's work
 - Whether Employee's data is used for training
 - Revenue generated from AI models using Employee's contributions

8. ETHICAL AI COMMITMENTS

8.1 Company Commitments

- Will not use AI to replicate Employee's unique problem-solving patterns after departure
- Will not train AI specifically to replace Employee's role during employment
- Will maintain distinction between Employee's creative contributions and AI-generated content

8.2 Employee Rights

- Right to refuse tasks that primarily generate AI training data without business value
- Right to identify and mark proprietary techniques as excluded from AI training
- Right to whistleblow on unethical AI training practices without retaliation

9. PRECEDENCE AND MODIFICATION

****9.1**** This Addendum supersedes conflicting provisions in original Employment Agreement regarding intellectual property and innovation ownership.

****9.2**** Any modification requires written consent from both parties and specific acknowledgment of which provisions are being modified.

****9.3**** If any provision is found unenforceable, remaining provisions continue in full effect.

10. CONSIDERATION

In consideration for these mutual agreements, Company provides:

- Initial grant of 1,000 Innovation Units (or equivalent stock options)

- Access to enterprise-tier AI tools for duration of employment
- Written acknowledgment of Employee's existing innovation portfolio

Employee provides:

- Continued innovative contributions
- Shared rights to employment-period innovations
- Commitment to ethical AI development practices

EMPLOYEE ACKNOWLEDGMENT

I understand and agree to these terms. I acknowledge my right to seek independent legal counsel.

Employee Signature

Date: _____

COMPANY ACKNOWLEDGMENT

Company agrees to these innovation rights and AI-era protections.

Authorized Signature

Title: _____

Date: _____

APPENDIX A: Innovation Disclosure Form Template

****Innovation Title****: _____

****Date Created****: _____

****AI Tools Used****: _____

****Work Hours / Personal Time****: _____

****Company Resources Used****: _____

****Ownership Claim****: Company / Shared / Personal

****Training Data Consent****: Yes / No

APPENDIX B: FAQ for Employees

Q: What if my company won't sign this?

A: Document your innovations independently using timestamp services. Consider whether you want to work where your innovations aren't valued.

Q: Can I negotiate individual terms?

A: Yes. This is a template. Key points to negotiate: ownership percentage, Innovation Units, and training data compensation.

Q: What about innovations I'm already working on?

A: List them in an attachment as "Prior Innovations" excluded from company ownership.

Q: How do I track my AI interactions?

A: Keep local copies of significant conversations. Use personal accounts for personal projects.

Q: What if I can't afford personal AI accounts?

A: Section 5.1 requires tool parity - if company has enterprise protection, you should too.

Notice

This addendum template is provided for educational purposes. Consult with an employment attorney before using. Laws vary by jurisdiction. Some provisions may not be enforceable in all states/countries.

The goal is to start a conversation about fair innovation rights in the AI era. Even if not all provisions are adopted, raising these issues creates awareness of the value extraction occurring through current employment agreements.

Created in recognition that the builders of the future deserve to own a piece of what they build.