

Non-Compete Agreement

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NON-COMPETE AGREEMENT

This Non-Compete Agreement (the "Agreement") is entered into as of [DATE] (the "Effective Date") by and between [EMPLOYER NAME], a [ENTITY TYPE, E.G., CORPORATION/LIMITED LIABILITY COMPANY] organized under the laws of [STATE] with principal offices at [EMPLOYER ADDRESS] ("Employer"), and [EMPLOYEE NAME], an individual residing at [EMPLOYEE ADDRESS] ("Employee"). Employer and Employee are sometimes referred to individually as a "Party" and collectively as the "Parties."

RECITALS

- A. Employer is engaged in [BUSINESS DESCRIPTION].
- B. Employee will be given access to Confidential Information (as defined below) and valuable business relationships in the course of employment or engagement with Employer.
- C. Employer desires to protect its legitimate business interests, and Employee is willing to accept reasonable restrictions on competition in exchange for consideration described below.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Parties agree as follows:

1. DEFINITIONS

- 1.1 "Confidential Information" means all non-public information of Employer, including but not limited to trade secrets, customer lists and preferences, pricing and cost information, marketing and business plans, technology, software, formulas, processes, financial information, and any other proprietary information disclosed or learned by Employee during the term of employment or engagement, whether or not designated as confidential.
- 1.2 "Competitive Activities" means any ownership, management, employment, consulting, or other participation in any business that engages in [COMPETITIVE ACTIVITIES DESCRIPTION] within the Restricted Area, or otherwise sells or provides products or services that are substantially similar to or competitive with those offered by Employer during the term of Employee's employment.
- 1.3 "Restricted Area" means [GEOGRAPHIC AREA], and any other geographic areas where Employer conducts business or has active, prospective, or known customers as of the date Employee's employment or engagement terminates.

2. COVENANT NOT TO COMPETE

- 2.1 During the term of Employee's employment or engagement with Employer and for a period of [DURATION MONTHS/YEARS] following the termination of such employment or engagement for any reason (the "Restricted Period"), Employee shall not, directly or indirectly, engage in, own, manage, operate, control, be employed by, consult for, or otherwise assist any Person engaged in Competitive Activities within the Restricted Area.
- 2.2 The restrictions in Section 2.1 apply to activities performed on Employee's own behalf or on behalf of any other person or entity.

3. NON-SOLICITATION

- 3.1 During the Restricted Period, Employee shall not, directly or indirectly, (a) solicit or attempt to solicit any customer or prospective customer of Employer with whom Employee had material contact during the last [NON-SOLICITATION DURATION] months of employment to cease or reduce doing business with

Employer, or (b) solicit or attempt to solicit any employee or independent contractor of Employer to terminate their relationship with Employer.

4. CONFIDENTIALITY

4.1 Employee agrees that Employee will not, during or after employment, disclose, use, or permit the use of any Confidential Information for any purpose other than the performance of Employee's duties for Employer, except as required by law or with Employer's prior written consent.

4.2 Upon termination of employment, Employee shall promptly return all documents and materials (and all copies) containing Confidential Information and shall not retain any copies, extracts, or other reproductions thereof.

5. CONSIDERATION

5.1 As consideration for Employee's obligations under this Agreement, Employer and Employee acknowledge receipt of the following consideration (select as applicable and complete):

(a) Continuing Employment: continued employment or engagement by Employer commencing on [START DATE]; or

(b) Specific Payment: a payment of [CONSIDERATION AMOUNT] paid on or before the Effective Date; or

(c) Other Consideration: [DESCRIBE OTHER CONSIDERATION].

5.2 Employee acknowledges that such consideration is sufficient and adequate to support the covenants in this Agreement.

6. TERM AND DURATION

6.1 This Agreement shall commence on the Effective Date and shall remain in full force and effect for the duration of Employee's employment or engagement with Employer and for the Restricted Period thereafter.

7. REASONABLENESS; ACKNOWLEDGMENT

7.1 Employee acknowledges that the restrictions contained in this Agreement are reasonable in scope, duration, and geographic extent and are necessary to protect Employer's legitimate business interests, including Confidential Information and customer relationships. Employee further acknowledges that enforcement of these restrictions will not prevent Employee from obtaining gainful employment consistent with the purpose of this Agreement.

8. EXCEPTIONS

8.1 The restrictions in this Agreement shall not apply to passive ownership by Employee of securities of any publicly traded company so long as Employee (a) does not control or manage the company, and (b) the ownership does not constitute participation in Competitive Activities.

9. REMEDIES

9.1 Employee acknowledges that a breach or threatened breach of this Agreement may cause Employer irreparable harm for which monetary damages would be an inadequate remedy. Accordingly, Employer shall be entitled, in addition to any other remedies available at law or in equity, to seek injunctive relief, specific performance, and other equitable relief to enforce the terms of this Agreement without the necessity of posting a bond.

9.2 In the event of a breach of this Agreement by Employee, Employer shall be entitled to recover reasonable attorneys' fees, costs, and expenses incurred in enforcing this Agreement in addition to any other relief granted.

10. LIQUIDATED DAMAGES (OPTIONAL)

10.1 If Employer elects to include liquidated damages, the Parties agree that, in the event of a breach of this Agreement by Employee, Employer may recover liquidated damages in the amount of [LIQUIDATED

DAMAGES AMOUNT], which the Parties agree represents a reasonable estimate of damages and is not a penalty. If no liquidated damages are intended, this Section may be deleted or left blank.

11. SEVERABILITY

11.1 If any provision of this Agreement shall be held invalid, illegal, or unenforceable in any respect by a court of competent jurisdiction, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

12. BLUE PENCIL; REFORMATION

12.1 If a court of competent jurisdiction finds any restriction herein to be unreasonable in scope, duration, or geographic area, the Parties consent that the court may, to the maximum extent permitted by law, reform such restriction to the maximum reasonable scope, duration, or geographic area and enforce it as reformed.

13. GOVERNING LAW AND VENUE

13.1 This Agreement shall be governed by and construed in accordance with the laws of the State of [STATE], without regard to its conflict-of-law principles. The Parties agree that the state and federal courts located in [COUNTY, STATE] shall have exclusive jurisdiction and venue over any legal action arising out of or relating to this Agreement, unless the Parties agree in writing to arbitration under Section 14.

14. ARBITRATION (OPTIONAL)

14.1 The Parties may elect to resolve disputes arising out of this Agreement by binding arbitration. If arbitration is selected, the arbitration shall be conducted in [CITY, STATE] under the rules of [ARBITRATION ORGANIZATION] applicable to commercial or employment disputes. The arbitrator's award shall be final and binding and may be entered as a judgment in any court having jurisdiction.

15. ATTORNEYS' FEES

15.1 In the event of any dispute arising out of this Agreement, the prevailing Party shall be entitled to recover from the other Party reasonable attorneys' fees, costs, and expenses incurred, in addition to any other relief to which the prevailing Party may be entitled.

16. NOTICE

16.1 Any notice required or permitted under this Agreement shall be in writing and shall be deemed given when delivered personally, sent by nationally recognized overnight courier, by certified mail (return receipt requested), or by email with confirmation of receipt, to the addresses set forth below or to such other address as either Party may designate by notice to the other:

If to Employer:

[EMPLOYER NAME]

[EMPLOYER ADDRESS]

Attention: [CONTACT NAME]

Email: [EMPLOYER EMAIL]

If to Employee:

[EMPLOYEE NAME]

[EMPLOYEE ADDRESS]

Email: [EMPLOYEE EMAIL]

17. ENTIRE AGREEMENT

17.1 This Agreement contains the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior and contemporaneous agreements, understandings, representations, and warranties, whether oral or written, relating to such subject matter.

18. AMENDMENTS

18.1 This Agreement may be amended or modified only by a written instrument signed by both Parties.

19. ASSIGNMENT

19.1 Employer may assign this Agreement to any successor entity, whether by merger, sale of substantially all assets, or otherwise. Employee may not assign this Agreement or any rights hereunder without Employer's prior written consent.

20. WAIVER

20.1 No waiver of any breach of any provision of this Agreement shall constitute a waiver of any prior or subsequent breach of the same or any other provision. No waiver shall be effective unless in writing and signed by the Party granting the waiver.

21. NO HIRING OF EMPLOYEES

21.1 During the Restricted Period, Employee shall not induce or attempt to induce any employee or independent contractor of Employer to leave the employment or engagement of Employer.

22. INDEPENDENT LEGAL ADVICE; VOLUNTARY EXECUTION

22.1 Employee acknowledges that Employee has been advised to seek independent legal counsel regarding this Agreement, has had the opportunity to seek such counsel, and has either obtained such advice or voluntarily declined to do so. Employee further acknowledges that Employee has read and understands this Agreement and signs it voluntarily.

23. COUNTERPARTS; ELECTRONIC SIGNATURES

23.1 This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. Signatures provided by electronic means (including PDF or facsimile) shall be binding and have the same effect as original signatures.

24. REPRESENTATIONS

24.1 Each Party represents and warrants that it has full power and authority to enter into this Agreement and to perform its obligations hereunder and that the person signing on behalf of each Party has been duly authorized to do so.

25. SURVIVAL

25.1 The provisions of Sections 1, 2, 3, 4, 9, 11, 12, 15, 16, 17, 21, and 25 shall survive termination of this Agreement and the termination of Employee's employment or engagement with Employer.

IN WITNESS WHEREOF, the Parties have executed this Non-Compete Agreement as of the Effective Date set forth above.

EMPLOYER:

[EMPLOYER NAME]

By: _____

Name: [PRINT NAME]

Title: [TITLE]

Date: [DATE]

EMPLOYEE:

[EMPLOYEE NAME]

Date: [DATE]

ACKNOWLEDGMENT

STATE OF [STATE]

COUNTY OF [COUNTY]

On this ____ day of _____, 20__, before me, a Notary Public in and for said State, personally appeared [EMPLOYEE NAME], personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to this instrument, and acknowledged that he/she executed the same for the purposes therein contained.

Notary Public Signature: _____

Printed Name: _____

My Commission Expires: _____

[OPTIONAL: EMPLOYER ACKNOWLEDGMENT BY CORPORATE OFFICER OR AUTHORIZED AGENT]

NOTICE: This template is provided for informational purposes and does not constitute legal advice. The enforceability of covenants not to compete varies by state and by circumstances. Consult qualified counsel to tailor this Agreement to specific facts and applicable law in [STATE].

This template is provided for informational purposes only and does not constitute legal advice. Consult a licensed attorney before signing any legal document.