

**Non-Compete Agreement**

**Template**

**Write Company Name Here**

Address Here / Phone: 000-000-000 Fax: 000-000-000 / Email: [www.abc@gmail.com](http://www.abc@gmail.com)

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**Location:**

**Owner(s):**

**Contact Information:**

**Date:**

**NON-COMPETITION AGREEMENT**

This Non-Competition Agreement (this “Agreement”) is made as of July \_\_, 2004, by and among Newco, Inc., a Florida corporation (the “Company”), and <<Founder 1>>, <<Founder 2>> and <<Founder 3>> (the “Founders”).

WHEREAS, the Founders are the owners or beneficial owners of an aggregate of \_\_\_\_\_\_\_\_\_\_ shares of the Common Stock of the Company;

WHEREAS, pursuant to the terms and conditions of that certain Series A Preferred Stock Purchase Agreement, of even date herewith (the “Stock Purchase Agreement”), the Company will sell, and certain investors (the “Investors”) in the Company will purchase, shares of Series A Preferred Stock of the Company;

WHEREAS, the Stock Purchase Agreement requires, as a condition to closing the transactions contemplated thereby, that the parties hereto enter into this Agreement;

WHEREAS, the Founders, as the holders of a significant portion of the capital stock of the Company, will receive substantial benefits from the transactions contemplated by the Stock Purchase Agreement, including the Investors’ investment in the Company, and accordingly, desire that the transactions contemplated by the Stock Purchase Agreement be consummated; and

WHEREAS, the Founders are entering into this Agreement as an inducement to the Investors to enter into the Stock Purchase Agreement and to consummate the transactions contemplated thereby.

NOW, THEREFORE, the parties hereto agree as follows:

1. Restrictive Covenant**.**

1. The Company is in the business of **[to be defined]**. Each Founder hereby acknowledges that during the course of her/his service as an officer of the Company, she/he will acquire in-depth knowledge of certain of the Company's business practices and confidential information.

(b) Each Founder hereby agrees that during the term of her/his service as an officer the Company, or any subsequent employment by or consultancy with the Company (the "Employment Period") and for a period of eighteen (18) months following the termination of the Employment Period, she/he will not, directly or indirectly, expressly or tacitly, for herself/himself or on behalf of any entity, (i) act as an officer, manager, advisor, executive, controlling shareholder, or consultant to any business that provides services or products which are competitive with the services or products being provided or which are being produced or developed by the Company or are under investigation by the Company at the expiration of the Employment Period, or (ii) recruit investors on behalf of an entity which engages in activities that are competitive with the services or products being provided or that are being produced or developed by the Company, or are under investigation by the Company at the expiration of the Employment Period.

(c) During the Employment Period and for a period of eighteen (18) months following the termination of the Employment Period, each Founder hereby agrees that she/he will not directly or indirectly, on her/his own behalf or in the service or on behalf of others, solicit, suggest or direct others to solicit for hire any person employed by the Company at the time of termination of the Employment Period.

(d) During the Employment Period and for a period of eighteen (18) months following the termination of the Employment Period, each Founder hereby agrees that she/he will not, directly or indirectly, on her/his own behalf or in the service of or on behalf of others, solicit, divert, or attempt to appropriate, to any business which competes with the Company, any person or entity who is or was a customer of the Company or an actively sought prospective customer of the Company with which she/he had contact as an employee of the Company during her/his Employment Period.

(e) Each Founder hereby agrees that the covenants contained in this Section 1 are reasonable and necessary to protect the confidentiality of the trade secrets, and other confidential information concerning the Company acquired by such Founder. The provisions of this Section 1 shall be interpreted so as to protect those trade secrets and confidential information, and to secure for the Company the exclusive benefits of the services performed on behalf of the Company by each Founder under this Agreement, and not to unreasonably limit such Founder’s ability to engage in employment and consulting activities in non-competitive areas which do not endanger the Company's legitimate interests expressed in this Agreement.

(f) In the event that any of the covenants contained herein in subparagraphs (a) through (e) are deemed unenforceable by a court of competent jurisdiction, the parties hereto agree that each of the covenants herein is severable from each of the others, and that a declaration of invalidity as to any one of the covenants shall not affect the enforceability of the others. Further, in the event one or more of the covenants herein is deemed unenforceable by a court of competent jurisdiction, the parties hereby agree and request that the court enforce the covenant(s) to the extent found reasonable by the court.

2. Entire Agreement; Successors and Assigns. This Agreement constitutes the entire agreement between the parties hereto relative to the subject matter hereof and supersedes any previous agreement among the parties. Subject to the exceptions specifically set forth in this Agreement, the terms and conditions of this Agreement shall inure to the benefit of and be binding upon the respective executors, administrators, heirs, successors and assigns of the parties.

3. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida applicable to contracts entered into and wholly to be performed within the State of Florida-by-Florida residents.

4. Counterparts. This Agreement may be executed in counterparts, each of which shall be an original, but all of which together shall constitute one and the same instrument.

5. Headings. The section headings of this Agreement are for convenience and shall not by themselves determine the interpretation of this Agreement.

6. Notices. Any notice required or permitted hereunder shall be given in writing and shall be conclusively deemed effectively given upon personal delivery, or delivery by overnight courier, or five (5) days after deposit in the United States mail, by registered or certified mail, postage prepaid, addressed (i) if to the Company, as set forth below the Company’s name on the signature page of this Agreement and (ii) if to a Founder, care of the Company, or at such other address as the parties may designate by ten (10) days’ advance written notice to the other parties.

7. Amendment of Agreement. Any provision of this Agreement may be amended by a written instrument signed by the Company and the Founders.

IN WITNESS WHEREOF, the parties hereto have executed this Non-Competition Agreement as of the date above set forth.

“**Company**”

Newco, Inc.

555 Main Street

Orlando, Florida 12345

By:

Name:

Title: