Sample Non-compete Agreements

Example 1:This example is a complete agreement that you can fill in and use for an employee who does not have a separate written employment contract. Nondisclosure and Noncompetition. (a) At all times while this agreement is in force and after its expiration or termination, [employee name] agrees to refrain from disclosing[company name]’s customer lists, trade secrets, or other confidential material.[Employee name] agrees to take reasonable security measures to prevent accidental disclosure and industrial espionage.(b) While this agreement is in force, the employee agrees to use [his/her] best efforts to[describe job] and to abide by the nondisclosure and noncompetition terms of this agreement; the employer agrees to compensate the employee as follows: [describe compensation]. After expiration or termination of this agreement, [employee name]agrees not to compete with [company name] for a period of [number] years within a[number] mile radius of [company name and location]. This prohibition will not apply if this agreement is terminated because [company] violated the terms of this agreement. Competition means owning or working for a business of the following type: [specify type of business employee may not engage in](c) [Employee name] agrees to pay liquidated damages in the amount of $[dollar amount] for any violation of the covenant not to compete contained in subparagraph (b)of this paragraph.IN WITNESS WHEREOF, [company name] and [employee name] have signed this agreement.\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_[company name]\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_[employee’s name]Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Example 2:This example is part of a larger agreement, such as an employment contract or an employee handbook. You can use it as a separate agreement or incorporate it into another, larger document. Nondisclosure and Noncompetition. (a) After expiration or termination of this agreement, [employee name] agrees to respect the confidentiality of [company name]patents, trademarks, and trade secrets, and not to disclose them to anyone.(b) [Employee name] agrees not to make use of research done in the course of work done for [company name] while employed by a competitor of [company name (c) [Employee name] agrees not to set up in business as a direct competitor of[company name] within a radius of [number] miles of [company name and location] for a period of [number and measure of time (e.g., “four months” or “10 years”)] following the expiration or termination of this agreement.(d) [Employee name] agrees to pay liquidated damages of $[dollar amount] if any violation of this paragraph is proved or admitted.

IN WITNESS WHEREOF, [company name] and [employee name] have signed thisagreement.\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_[company name]\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_[employee name] Date: