



Non-Disclosure / Non-Compete Agreement

The following rules and their clarifying scenarios outline what Clear Blue Design can and cannot agree to as a company with multiple clients who represent a range of business models, strategies and ideas, some of which may overlap from time to time.

This agreement is intended to protect The Client's intellectual property and to simultaneously protect Clear Blue Design's ability to do business with other entities.

For the purpose of this agreement, "Clear Blue Design" refers to Clear Blue Design LLC's owners and employees.

Rule 1: Discussing The Client

Clear Blue Design will not discuss The Client with anyone outside of "need to know" Clear Blue Design staff, unless the information being discussed is publicly available (on The Client's website, on promotional materials, clearly visible to customers of The Client's product or service, or reasonably inferred by customers of The Client's product or service).

Scenario 1: **Allowed**

Clear Blue Design tells another entity about The Client's upcoming product launch which has already been disclosed on The Client's website.

Scenario 2: **Not Allowed**

Clear Blue Design tells another entity (competitor or not) that The Client is planning to do "x" or that they handle a specific situation by doing "y".

Rule 2: Data and Artifacts

Clear Blue Design will not share data or artifacts (source code, customer lists, marketing materials, system data, etc.) provided by The Client with anyone outside of "need to know" Clear Blue Design staff. Clear Blue Design will not utilize The Client's data or artifacts outside of the relationship with the Client. Upon request, Clear Blue Design will return and/or destroy all data and artifacts provided by the Client.

Scenario 3: **Allowed**

Clear Blue Design management assigns Clear Blue Design employee "x" to The Client's project and gives them full access to all information that Clear Blue Design possesses about The Client.

Employee “x” uses The Client’s information for the sole purpose of performing the services that Clear Blue Design has been contracted to perform for The Client.

Scenario 4: Not Allowed

Clear Blue Design shares a non-publicly available document obtained from The Client with someone outside of Clear Blue Design.

Scenario 5: Not Allowed

Clear Blue Design uses The Client’s customer list for internal gain.

Scenario 6: Not Allowed

Clear Blue Design uses the source code written for and owned by The Client to benefit a competitor or to become a competitor.

Rule 3: Knowledge

Clear Blue Design will not be prevented from sharing or utilizing, without any reference to The Client, otherwise unprotected (by patent, trade secret, etc.) knowledge obtained as a result of interacting with The Client. In essence, this NDA does NOT act as an all encompassing patent/trade secret on knowledge obtained as a result of the business relationship with The Client.

Scenario 7: Allowed

Clear Blue Design has two non-competing clients, Client A and B. The two clients are both building software that has a need for tracking a person’s location in a multi-story building. Client A comes up with a specific strategy for implementing a solution. Clear Blue Design describes to Client B, without referring to Client A in any way, the approach utilized by Client A as a possible solution.

Scenario 8: Not Allowed

Clear Blue Design has two non-competing clients, Client A and B. The two clients are both building software that has a need for tracking a person’s location in a multi-story building. Client A comes up with a specific strategy for implementing a solution. Clear Blue Design states to Client B that Client A implemented the following solution and describes the approach.

Scenario 9: Not Allowed

In working with Coca Cola, Clear Blue Design learns and commits to memory the formula for Coke (which is a formally protected trade secret). Clear Blue Design then recreates Coke from memory and attempts to sell it.

Rule 4: Competition

Clear Blue Design will not engage in business with a direct competitor or be a direct competitor of The Client while engaged in business with The Client. For the purposes of this document, “engaged in business” means that Clear Blue Design either performed within the last 30 days, or is mutually expected to perform within the next 30 days, some contractual service. In the event that Clear Blue Design has partial equity ownership of The Client or receives any sort of ongoing recurring compensation (revenue sharing, profit sharing, etc.) then Clear Blue Design will be considered “engaged in business” with The Client as long as those structures are in place.

Scenario 10: Allowed

Clear Blue Design is no longer engaged in business with The Client and destroys all proprietary source code, data and artifacts related to The Client. Clear Blue Design makes a strategic decision to abandon all existing clients, ignore the years of effort that it took to become a successful software development shop and shift the focus of all future efforts to creating a business to compete with The Client. Clear Blue Design creates from scratch a similar system to that of The Client's and goes to market with it as a competitive offering.

Scenario 11: Allowed

Clear Blue Design is no longer engaged in business with The Client and becomes engaged in business with a competitor of The Client.

Scenario 12: Not Allowed

Clear Blue Design is engaged in business with The Client and simultaneously becomes engaged in business with a competitor of The Client.

Scenario 13: Not Allowed

Clear Blue Design is no longer engaged in business with The Client and becomes engaged in business with a competitor of The Client. Clear Blue Design shows the competitor internal documents from The Client.

This agreement will be construed, interpreted, and applied in accordance with the internal laws of the State of Louisiana (excluding its body of law controlling conflicts of law).

IN WITNESS WHEREOF, the parties have executed this agreement effective on the date below.

Clear Blue Design LLC	(The Client)
Signature	Signature
Date	Date
Chris Dykes, Owner	