

FRESH AIRE FRANCHISE, LLC

CONFIDENTIALITY, NON-DISCLOSURE, AND NONCOMPETE AGREEMENT

THIS AGREEMENT has been entered this ____ day of _____ 201___. It is by and between, **FRESH AIRE FRANCHISE, LLC**, an Oregon limited liability company and **FRESH AIRE AIR FRESHENERS, INC.** an Oregon corporation (jointly and severally "we, us") and _____ ("you").

We own proprietary ideas and other confidential information related to the ownership and operation of "FRESH AIRE" air freshener installation and service businesses and franchises under our service marks, trade names, programs, and systems using the names "*Fresh Aire*", "*Fresh Aire Air Fresheners*" and the "*Fresh Aire*" logo. We and our franchisees offer and sell high-quality air fresheners, air freshener fragrances and related installation and periodic service contracts and related products and services under the Service Marks and our programs and systems. Through rigorous testing and training, we have developed a unique and uniform concept of materials and service. We have certain rights to and intend to continue to develop products, services, valuable goodwill, expertise, proprietary ideas, confidential information, service marks, methods, procedures, techniques, guidelines, and materials connected with the operation, promotion, and advertising of our air freshener business (collectively these are called the "Method of Operation").

You and we desire to discuss various potential mutually beneficial opportunities and associations related to business management, sales, services, materials and supplies, computer software, and related concepts and potentially to enter into related commercial relationships. In the course of these discussions and our relationship it will be necessary for us to disclose Confidential Information to you.

THEREFORE, in consideration of the following mutual promises and covenants, the parties agree as follows:

1 PROTECTION OF CONFIDENTIALITY

1.1 **Confidential Information Defined.** In this Agreement, "Confidential Information" will mean:

- a) Any information that relates to our proprietary ideas, trade secrets, business, products, technology, customers, finances, plans, proposals, or practices, including, but not limited to, plans and specifications for new and existing products, discoveries, ideas, know-how, research and development, inventions, techniques, marketing strategies, customer lists, financing sources and suppliers, non-public financial information, budgets, data, and projections;
- b) Our proprietary information and information we mark or designate as confidential;
- c) Information, whether or not in written form and whether or not designated as confidential, which is known to you as being treated by us as confidential;
- d) Information provided to us by third parties, which we are obligated to keep confidential.

The Confidential Information will include information in any form in which such information exists, whether oral, written, film, tape, computer disk, digital, or other form of media.

1.2 **Our Exclusive Property.** You acknowledge and agree that our Method of Operation and all Confidential Information are and will continue to be our sole and exclusive property, whether or not disclosed or entrusted to you in connection with your relationship with us. Nothing in this Agreement will give you or others any right, title, or interest whatsoever in or to them. The Confidential Information will be

considered our trade secrets and will be entitled to all protections provided by applicable law to trade secrets.

1.3 **Conflicting or Competing Interests**. Neither you nor your owners, shareholders, members, partners, directors, officers, managers, employees, consultants, distributors, or agents, nor the members of your or their immediate families or households (who have access to or knowledge of the Confidential Information or Method of Operation), will directly or indirectly participate as an owner, shareholder, partner, director, officer, employee, consultant, distributor, or agent, or serve in any other capacity in any business (including business being or to be formed) engaged or to be engaged in the offering or sale or rental of products or services that are the same as, or substantially similar to, the products and services that are part of the Method of Operation.

You will assure that you and your owners, shareholders, partners, directors, officers, employees, and agents, and the members of their immediate families or households (who have actual knowledge of or access to the Operations Manual or Method of Operation), will not directly or indirectly participate as an owner, shareholder, director, partner, officer, employee, consultant, franchisor, franchisee, distributor, advisor or agent, or serve in any other capacity in any business engaged directly or indirectly in the offer, sale, rental, Internet dissemination, or promotion of air freshener products or services or any business that offers products or services that are essentially the same as, or substantially similar to, the products and services that are part of the Method of Operation. This covenant applies within a **100-mile** radius of any location where we operate or have granted the franchise to operate a **FRESH AIRE** business, within the state where you are located, and within the United States of America.

2. **COVENANT OF NON-DISCLOSURE** You specifically acknowledge that you will receive valuable specialized and Confidential Information, including information regarding our operational, materials, supplies, sales, promotional and marketing methods and techniques and the Method of Operation. You agree not to disclose Confidential Information to any third party and to limit disclosure within your association to designated employees approved by us. Disclosures to designated employees will be done on a “need to know” basis to the extent necessary for them to perform the duties of their employment with you. Unless required by court order or applicable law, you agree not to copy, download, send, or divulge any Confidential Information directly or indirectly to any other person or enterprise outside of our system. You will never communicate, divulge, or use in any manner, either for your benefit or the benefit of any other person, persons, partnerships, associations, companies or corporations any Confidential Information or proprietary information, knowledge or know-how concerning the Method of Operation or any information we have communicated to you in written, verbal or electronic form, including intranet passwords, for the operation of your business.

3 **COVENANT OF NON-USE** You agree not to use Confidential Information or the Method of Operation, except as authorized by us. You will obligate your owners, board of directors, your employees, and your agents to the same non-use covenant. We must approve in writing any use of Confidential Information or Method of Operation by you or your owners or your directors or employees.

4 **RECIPROCAL OBLIGATION** Should discussions between you and us require or entail disclosure of any of your confidential or proprietary information to us, we agree to the same obligations of confidentiality and non-use as are imposed on you by this Agreement.

5 MISCELLANEOUS

5.1 **Duration.** The obligations set forth in this Agreement will continue during and beyond the term of your relationship with us and for as long as you possess Confidential Information.

5.2 **Waiver.** A waiver of any breach of any provision, term, covenant, or condition of this Agreement will not be a waiver of any subsequent breach of the same or any other provision, term, covenant, or condition. Any waiver to this Agreement's provisions must be made in signed writing by the granting party.

5.3 **Construction.** This document is the entire agreement between the parties. It supersedes all prior or contemporaneous written and oral agreements or understandings with respect to the subject matter of this Agreement. It may not be modified or amended except by signed written agreement. This Agreement benefits and binds the respective heirs, executors, administrators, successors, and assigns of the parties.

5.4 **Enforcement.** The prevailing party (the party who recovers the greater relief) in any arbitration, insolvency proceeding, bankruptcy proceeding, suit, or action to enforce this Agreement will recover its arbitration, proceeding, and court costs and reasonable attorney fees. These will be set by the arbitration, proceeding, or court, including costs and attorney fees on appeal or review from the arbitration, proceeding, suit, or action.

If, for any reason, any provision set forth in this Agreement exceeds any lawful scope or limit as to duration, geographic coverage, or otherwise, it is agreed that the provision will nevertheless be binding to the full scope or limit allowed by law or by a court of law. The duration, geographic coverage and scope allowable by law or court of law shall apply to this Agreement.

5.5 **Acknowledgments.** No person has made any other representation that is not expressly set forth in this Agreement to induce you to accept and execute this Agreement.

6 SIGNATURES IN WITNESS, the parties have executed this Agreement on the date written above.

("We/Us"): **FRESH AIRE FRANCHISE, LLC**

By: _____
Title: _____

FRESH AIRE AIR FRESHENERS, INC.

By: _____
Title: _____

("You): _____

By: _____
Title: _____

By: _____
Title: _____

By: _____
Title: _____