



National Reined Cow Horse Association

13181 US Highway 177

Byars, OK 74831

CONFIDENTIALITY AGREEMENT

This Confidentiality Agreement (“Agreement”) entered into this _____ day of _____, 2006, by and between National Reined Cow Horse Association (NRCHA), an Oklahoma corporation, and _____, an individual, and resident of the State of _____.

WITNESSETH: NRCHA is a not-for-profit California corporation engaged in providing services to its membership in accordance with its Articles of Incorporation, By-Laws and Rules.

WHEREAS, individual is employed, elected and/or appointed by NRCHA to perform services for NRCHA in connection and related to the services NRCHA provides for its membership; and

WHEREAS, NRCHA desires individual to perform individual services for NRCHA in an efficient, expedient and protected manner that will prevent dissemination or publication of information acquired by individual in performing individual’s employment/appointment services for NRCHA;

NOW THEREFORE, in consideration of the premises and the mutual covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, NRCHA and individual agree as follows:

1. **Confidentiality of NRCHA’s Business.** While performing services pursuant to the employment, elected and/or appointed relationship between individual and NRCHA, individual will become aware of, or otherwise learn of certain aspects of NRCHA’s business, or about

NRCHA's members, potential members, judges or potential judges, which NRCHA deems to be sensitive, confidential information and/or proprietary information. Such information shall include, but not be limited to certain information, processes, formulas, know how and knowledge concerning NRCHA, its membership, services provided to NRCHA, owns, valuation analysis of assets, documentation, potential member and active member information, potential judge and active judge information. Such confidential information and/or proprietary information has been developed by NRCHA at a consideration time and expense and has tremendous value to NRCHA, its mission and membership. Individual agrees during the term of this Agreement and after the termination of this Agreement, individual will not use, divulge or otherwise communicate to any person or entity any of the confidential information and/or proprietary information learned by individual during the terms of this Agreement and there after, except as hereinafter set forth. Individual acknowledges and agrees that use of the information by individual or any competitor of NRCHA will result in damages to NRCHA for which a remedy may not be available and, therefore, individual agrees that in addition to all remedies available to NRCHA, NRCHA may seek an injunction to prevent the disclosure of any confidential information and/or proprietary information by individual. No forbearance, failure, or delay in exercising in any such right, power, or remedy shall operate as a waiver thereof, or preclude its further exercise. In addition, upon termination of this Agreement, individual agrees to deliver to NRCHA, and not retain any originals or copies of all confidential information and/or proprietary information, including computer disks, cd-roms, computer hard drives, notes, documents, agreements, contract, or manuals used by or obtained by individual during the term of this Agreement with NRCHA.

This shall also apply to all committees charges with the review of any information of any kind or nature having to do with any disciplinary or potential disciplinary action of any member, potential member, judge or potential judge.

2. Confidential Information and/or Proprietary Information. As used herein, "confidential information and/or proprietary information" shall include all specifications business and operating plans, processes, documents, contracts, agreements, manuals, strategies, research, financial statements, models, membership lists, client lists, projections, computer software, computer programs, computer source code and object code, computer disks, cd-roms, computer hard drives and other technical, financial and commercial information sources and relationships which NRCHA, in its reasonable discretion, considers to be confidential and proprietary or sensitive whether such information is disclosed orally, or in writing or electronically. Confidential information and/or proprietary information shall also include any information prepared by or delivered by individual from information provided or made available by NRCHA or prepared or delivered during the term of this Agreement: The confidential information and/or proprietary information shall not include information which: (a) at the time of disclosure or thereafter is generally available and known to the public (other than as a result of a disclosure made directly or indirectly in violation of this Agreement); or (b) was available to individual on a non confidential basis from a source other than NRCHA (provided that such source is not or was not bound by an applicable confidentiality agreement with NRCHA).

This shall also apply to all committees charges with the review of any information of any kind or nature having to do with any disciplinary or potential disciplinary action of any member, potential member, judge or potential judge.

3. Nature of Information and NRCHA Remedies. Individual does hereby accept the representations of NRCHA that its confidential information and/or proprietary information is of a special, unique, unusual, extraordinary and intellectual character, and may contain or be comprised of sellers lists, vendors lists, customer lists, membership lists, prospect information, technical procedures, financial models, contest procedures, participant lists and other information of competitive value. Individual acknowledges that NRCHA's interest in such confidential information and/or proprietary information may be irreparably injured by disclosure of such information, and agrees not to use any of the information in a manner contrary to this Agreement. Individual acknowledges and agrees that money damages would not be a sufficient remedy for any breach of this Agreement by individual and that in addition to all other remedies NRCHA will be entitled to specific performance and injunctive or equitable relief, without posting a bond, as a remedy for such breach. Without limiting the foregoing, as used herein, confidential information and/or proprietary information includes, but is not limited to, the definition of a "trade secret" which is defined as information including a formula, pattern, compilation, program, device, method, technique or process that: (a) derives independent economic value, actual or potential, from not being generally known to, not being really ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use and, (b) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. Individual specifically acknowledges that NRCHA has taken reasonable and necessary steps to insure its confidential information and/or proprietary information and hence "trade secrets" are secret. Individual agrees that NRCHA is entitled to all the remedies available to it under the Uniform Trade Secrets Act in the event of breach of this Agreement, including, without limitation, injunctive relief without posting a bond, damages, and attorney's fees.

This shall also apply to all committees charges with the review of any information of any kind or nature having to do with any disciplinary or potential disciplinary action of any member, potential member, judge or potential judge.

4. Disclosure. In the event the contractor becomes legally compelled (by depositions, interrogatory, request of documents, subpoena, civil investigative demand or similar process) to disclose any of the confidential information and/or proprietary information, individual shall provide NRCHA with prompt prior written notice of such requirement so that NRCHA may seek a protective order or other appropriate remedy and/or waive compliance with the terms of this Agreement. In the event that such protective order or other remedy is not obtained, or NRCHA waives compliance with the provisions hereof, individual agrees to furnish only that portion of the confidential information and/or proprietary information which is legally required to be furnished.

This shall also apply to all committees charged with the review of any information of any kind or nature having to do with any disciplinary or potential disciplinary action of any member, potential member, judge, potential judge and/or contracted personnel.

5. Benefit and Assignment. This Agreement shall be binding upon, and shall ensure to the benefit of NRCHA and individual. The services being performed by individual are personal in nature and shall not be assigned by individual to any other party.

6. **Entire Agreement; Modifications.** This Agreement and the documents and materials incorporated herein by reference constitute the entire Agreement between the parties. There are no promises or other agreements, oral or written, expressed or implied between the parties other than as set forth in this Agreement. No change or modification of, or waiver under this Agreement shall be valid unless it is in writing and signed by individual and a duly authorized representative of NRCHA.

7. **Severability.** Whenever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under all applicable laws. However, if any provision of this Agreement shall be held to be prohibited by, or invalid under any applicable law, such provisions shall be ineffective only to the extent of such prohibition or invalidity without invalidating the remaining provisions of this Agreement.

8. **Waiver.** Neither party's waiver of the other party's breach of any term, covenant and condition contained in this Agreement shall be deemed to be a waiver of any subsequent breach of the same or any other term, covenant or condition of this Agreement.

9. **Governing Law.** This Agreement shall be governed by, and construed in accordance with the laws of the State of California. Subject to the below paragraph on arbitration, the parties further agree that the proper jurisdiction and venue for any legal action seeking injunctive relief and damages for breach of the Confidentiality provisions of this Agreement The Laws of California will govern the interpretation and implementation of this Agreement.

For purposes of this agreement, all communication shall be addressed to NRCHA at 13181 US Highway 177, Byars, OK 74831

10. **Arbitration.** Except as specifically indicated above for injunctive relief and damages for breach of the Confidentiality provisions of this Agreement, any controversy or claim arising out of, or in connection with this Agreement, and any breach or asserted breach thereof, including, but not limited to, any tort claims, or statutory claims, shall be settled by binding arbitration. Arbitration will be conducted in Tulare County, California at a location to be mutually determined under applicable provision of the California Arbitration law. The parties shall attempt to agree to a single arbitrator, failing which each party shall appoint an arbitrator and those two arbitrators shall appoint a third arbitrator. Any award rendered by the arbitrator or arbitration tribunal shall be final. The prevailing party may seek to enforce any such award in the Superior Court for county of Tulare, State of California.

11. **Survival.** The obligations of the parties and the rights in the event of a breach contained in this Agreement as to Confidential Information, as well as Arbitration provided for herein shall specifically survive the termination of this Agreement.

12. **Acknowledgment.** Individual acknowledges that he/she has read and understands this Agreement, he/she has been given full opportunity to discuss this Agreement before signing and becoming voluntarily bound by its terms.

IN WITNESS WHEREOF each party has caused this Agreement to be signed effective the date set forth above.

"NRCHA "

By: _____
NRCHA President

Date

"INDIVIDUAL"

By: _____
Name

Date

Printed Name

Date