

## Appendix E

### AGREEMENT NOT TO COMPETE AND NOT TO DISCLOSE CONFIDENTIAL INFORMATION

I, \_\_\_\_\_, hereby understand and agree, that in consideration of my application as a candidate for certification as an apprentice in the New York Pilates Studio ® Teacher Certification Program (herein called the “Program”) offered by the United States Pilates Association, ™ LLC (herein called the “LICENSOR”) at any of its National Certifying Centers (herein referred to as “Centers”), I shall comply with the following material terms and conditions of my training and certification:

1. I understand and agree that all records, whether original, duplicated, computerized, memorized, handwritten, or in any other medium or form, and all information contained therein, including names, addresses, phone numbers, and financial information of any account, customer, client, customer lead or prospect of the LICENSOR or any Center ("Account"), are confidential and are the sole and exclusive property of LICENSOR and/or the Center. This information, whether provided to me by LICENSOR, or by any Center or by any Account, is entrusted to me as an apprentice of the Program. None of such records, nor any part of them is to be removed by me from the premises of LICENSOR or any Center either in original form or in computerized, duplicated, or copied form except with the written permission of the LICENSOR and the Center and then, for the sole purpose of my participation in the Program, and the names, addresses, and other facts in such records are not to be transmitted verbally, in writing, or in computerized form or in any other medium by me except in the ordinary course of my participation in the Program All of said records or any part of them are the sole proprietary information of LICENSOR and/or the Centers and shall be treated by me as confidential information of LICENSOR and the Centers. I agree not to divulge or disclose this information to any third party and under no circumstances will I reveal or permit this information to become known by any competitor of the LICENSOR and/or any Center either during my service or at any time thereafter.
2. I understand and agree that the records and the information therein are extremely valuable to the LICENSOR and the Centers and I agree to take all reasonable measures to maintain its confidentiality and to guard its secrecy. This information is not generally known outside the LICENSOR or the Centers. and this information is confidential and used only a "need to know" basis. This information is developed and acquired by great expenditures of time, effort, and money. This information is unique and cannot be lawfully duplicated or easily acquired. Consequently, I agree that these records and the information contained therein are the property of LICENSOR and/or the Centers and are deserving of trade secret status and protection.
3. If, at any time, I resign from the Program. provoke my termination, am terminated for cause, or cease my association with LICENSOR and/or any Center (through graduation, certification, etc.), I agree THAT FOR A PERIOD OF FIVE YEARS following my termination for any reason, I will not solicit by mail, by phone, by personal meeting, or by

any other means, either directly or indirectly, any Account of the USPA or any Center that I attend during my apprenticeship in the Program. whom I served or whose name became known to me during my apprenticeship in the Program. My agreement "not to solicit" means that I will not, DURING MY APPRENTICESHIP AND FOR A PERIOD OF FIVE YEARS thereafter, initiate any contact or communication, of any kind whatsoever, for the purpose of inviting, encouraging or requesting any Account:

(a) to transfer from the any Center to me or to my new employer or to any third party whether an individual or other legal entity, or to any studio or place where I am teaching Pilates or any exercise program similar to Pilates, or (b) to open a new account with me or with my new employer or with any third party whether an individual or other legal entity, or with any studio or place where I am teaching Pilates or any exercise program similar to Pilates or (c) to otherwise discontinue its patronage and business relationship with any Center. The intent of this paragraph is to be broad and all encompassing so as to prevent any prejudice to any.

5. In the event of termination and/or completion of my apprenticeship in the Program at a Center, I shall (i) not solicit, for a period of Five years from the date of termination of my service, any of the clients or prospective clients of any Center whom I served or whose names became known to me while working as an apprentice in the Program at any Center, and (ii) return any original records and purge or destroy any computerized, duplicated, or copied records referred to in paragraph 1 AND 2 which have been removed from the premises of any Center in any form.
6. Geographic Limitation. During my apprenticeship in the Program, and for a period of five years after the termination of my apprenticeship for any reason whatsoever or completion of my apprenticeship, whichever occurs last, I shall be prohibited from competing in any manner, either directly or indirectly, with the business of any teaching of any Pilates exercise program or program similar to the Pilates exercise program where that exercise program is based directly or indirectly upon the principles of the Pilates methodology, whether or not such exercise program is called Pilates or some other name. I shall be restricted from competing in the following areas:

A seven-mile radius from the location of any of the following National Certifying Centers:  
Pilates Institute of Ft. Lauderdale, Pilates RI, The Art of Control, Core Sport Pilates Fitness  
Studio, Pilates Loft, Joe's Place True Pilates

A one half mile radius of the Pilates Studio ® of New York and The Pilates Haus

I agree that the aforementioned time and geographical limitations on competition are reasonable and that my agreement to them is required in order that I be accepted into the Program. I further understand that I have been told by the LICENSOR that the restrictions contained in this agreement are very important and I have been told to have this restriction as well as the rest of this agreement reviewed by an attorney of my choice prior to my signing the agreement. I understand that the Center (s) business may be severely harmed if I defaulted under any of the provisions of this agreement.

7. In the event I breach any of the covenants of any of the preceding paragraphs I agree that the LICENSOR & any Center will be entitled to injunctive relief. I recognize that LICENSOR & any Center will suffer immediate and irreparable harm and that money damages will not alone be adequate to compensate LICENSOR or any Center or to protect and preserve the status quo. Therefore, I CONSENT TO THE ISSUANCE OF A TEMPORARY RESTRAINING ORDER or A PRELIMINARY or PERMANENT INJUNCTION ordering:
- (a) that I immediately return to LICENSOR or any Center all records whether original, duplicated, computerized, handwritten, or in any other form whatsoever, and that I be enjoined and restrained from using or disclosing any information contained in such records; and
  - (b) that I be further enjoined and restrained, for the periods set forth in this agreement, from accepting business from any Account who was solicited in violation of this agreement or whose records and information was used in violation of this agreement
8. For the purposes of paragraph 7, I agree to submit to, and confer exclusive jurisdiction on, the United States District Court or the State Court which has original jurisdiction for judicial district or county in which the Center is located or in which the offices of the LICENSOR are located. This Agreement shall be construed, governed by, and enforced in accordance with the laws of said jurisdiction.
9. I further consent to the issuance of a temporary restraining order or a preliminary injunction to prohibit the breach of any provision of this contract, or to maintain the status quo pending the outcome of any arbitration or judicial proceedings which may be initiated.
10. I agree that should it become necessary for-the U.S.P.A or any Center to file suit to enforce the covenants contained herein, and any court of competent jurisdiction awards the LICENSOR or any Center any damages and/or an injunction due to my acts, then the LICENSOR and/or the Center shall be entitled to recover its costs incurred in conducting the suit, including reasonable attorneys' fees and expenses.
- 11.I understand that I may not assign my rights or obligations hereunder. The rights and obligation of the LICENSOR and the Centers hereunder shall inure to the benefit of and shall be binding upon its successors and assigns as well as its licensors.
12. The provisions of this Agreement shall be deemed severable, and the invalidity or unenforceability of any one or more of the provisions hereof shall not affect the validity and enforceability of the other provisions hereof and any court of competent jurisdiction is hereby given the authority to rewrite those provisions of the agreement which are deemed to be invalid or unenforceable in a manner as to be as closely consistent with the original provision as is legal and enforceable.

13. LICENSOR or any Centers failure by to insist upon strict compliance with any provision hereof shall not be deemed a waiver of such provision or any other provisions hereof.
14. This Agreement may not be modified except by an agreement in writing executed by the parties hereto.
15. This Agreement shall be governed in all respects, including validity, interpretation and effect by the laws of the State of Florida without giving effect to the conflicts of laws principles thereof.
16. For the purposes of this agreement, the term National Certifying Centers shall be deemed to mean any location (s) where the LICENSOR has now or in the future may license the Program to be taught. Currently the Centers are:

PilatesRI 265 Wickenden Street Providence, RI 02906 <a href="http://www.Pilatesri.com">www.Pilatesri.com</a>	The New York Pilates Studio® 311 West 43 <sup>rd</sup> Street, Suite 405 NYC, NY 10036 <a href="http://www.performingartspt.com">www.performingartspt.com</a>
The Pilates Institute (SM) of Fort Lauderdale 1500 E. Broward Boulevard, Suite#250 Ft. Lauderdale, Florida 333309 <a href="http://www.ThePilatesInstitute.net">www.ThePilatesInstitute.net</a>	The Pilates Haus 155 Second Street Jersey City, New Jersey 07302 <a href="http://www.pilateshaus.com">www.pilateshaus.com</a>
Art of Control SUNY 735 Anderson Hill Road Purchase NY, 10577 <a href="http://www.artofcontrol.com">www.artofcontrol.com</a>	Core Sport Pilates Fitness Studio 829 Penniman Ave. Plymouth, MI 48170 <a href="http://www.coresportstudio.com">www.coresportstudio.com</a>
Pilates Loft 1909 N Orange Ave Orlando, FL 32804-5530 <a href="http://www.pilates-loft.com">www.pilates-loft.com</a>	Joe's Place True Pilates 305 Hokum Rock Rd. E. Dennis, MA 02641 <a href="http://www.joesplacetruepilates.com">www.joesplacetruepilates.com</a>

Signed: \_\_\_\_\_

Print Name: \_\_\_\_\_

Print Address: \_\_\_\_\_

Social Security Number: \_\_\_\_\_