

## CONSULTING AGREEMENT

This is an Agreement executed this \_\_\_ day of (month, year) , by and between:

- Company name, a corporation organized and existing under the laws of the State of \_\_\_\_\_, with usual place of business at \_\_\_\_\_ (hereinafter called the "Company"),
- and
- Pegasus Technologies, Inc., a corporation organized and existing under the laws of the State of Tennessee, with usual place of business at Lenoir City, Tennessee (hereinafter called the "Consultant").

Effective the \_\_ day of \_\_\_\_\_, 20\_\_, the Company contracts for services of the Consultant, and the Consultant agrees to serve the Company, under the following terms and conditions:

1. **Scope of Work.** The Consultant shall be responsible for *(describe services desired)* as requested and directed by the Company.
2. **Duration.** This Agreement is valid for the period: *(date)* to *(date)*.
3. **Compensation:**
  - a. Pegasus Technologies' hourly rate shall be \$\_\_\_\_ per hour for professional engineering work, and \$\_\_\_ per hour for \_\_\_\_\_ [e.g., technician work, board layout, editorial services, etc.]. These rates include all normal office supplies and long-distance telephone fees. In addition, third party expenses incurred for items such as parts, services, and pre-approved travel are billed at cost plus a 15% handling fee. The Consultant will provide twice-monthly statements detailing the number of hours worked, the tasks undertaken, the amount due for such services, and any third-party expenses incurred. This statement will serve as an invoice to the Company for services rendered during the preceding period. Consultant shall deliver all such invoices to the Company at the following address:

*(provide a mailing address)*
  - b. The Company shall pay each Consultant invoice no later than 30 days following the date of the invoice. Payments not made in a timely manner will be subject to an interest charge of 1.5% per month on the unpaid balance. Payment should be made in the form of a check payable in US dollars to:

**Pegasus Technologies, Inc.**  
**108 Pawnook Farm Road**  
**Lenoir City, TN 37771**
  - c. The Consultant acknowledges that it is an independent contractor and that it is not entitled to any benefits provided by the Company to its employees. Unless the

parties mutually agree, the Consultant shall be responsible at its own expense for all of its own office overhead and all secretarial and clerical support services.

4. **Conflict of Interest.** The Consultant agrees to inform the Company of all the Consultant's interests, if any, which may be, or which the Consultant has reason to believe may be, incompatible with the interests of the Company or the Company's customers. In addition to the foregoing, the Consultant agrees not to make improper use of any information that comes to himself or his agents or representatives in the performance of services under this Agreement.
5. **Termination.** Either party may terminate this Agreement prior to the expiration date set forth in paragraph 2 above by giving the other thirty (30) days notice in writing, which notice shall specify the date upon which such termination becomes effective. In the event either party gives such notice, this Agreement shall terminate upon the date specified, and the parties hereto shall be released from any and all liability hereunder except such liability as, by the terms hereof, may be accrued prior to, or may extend beyond, such termination.
6. **Confidentiality.** Either party to this Agreement may, in the course of fulfilling its terms, need to disclose information to the other party that is proprietary or confidential. When such disclosure is undertaken, the following provisions apply:
  - a. The term "Disclosing Party," as used in this Agreement, means the party providing Confidential Information. The "Receiving Party" is the party receiving the information.
  - b. The term "Confidential Information," as used in this Agreement, means any oral, written, or documentary information or information that is stored by electronic means which (i) relates to this Agreement, (ii) is received by one of the parties from the other, and, in the case of written information, (iii) is marked "Confidential," "Proprietary" or bears a marking of like import or which the Disclosing Party states in writing at the time of transmittal to, or receipt by, the Receiving Party is to be considered confidential. Orally disclosed information shall be considered confidential if identified as such at the time of disclosure and if followed up in writing within ten (ten) calendar days, with the information identified and marked as confidential.
  - c. The term "Trade Secret", as used in this Agreement, means any oral, written, or documentary information or information that is stored by electronic means that: (i) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and (ii) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.
  - d. The "Confidential Information" and "Trade Secrets" do not include information that: (i) is already known to the Receiving Party as evidenced by prior documentation

thereof; or (ii) is or becomes publicly known through no wrongful act of the Receiving Party; or (iii) is rightfully received by the Receiving Party from a third party without restriction and without breach of this Agreement or any other Agreement; or (iv) is approved for release by written authorization of the Disclosing Party.

- e. The Receiving Party shall not disclose to others, or use for any purpose of its own, any Confidential Information, financial or business data, technical data, or other confidential or proprietary information obtained from the Disclosing Party, or from an affiliated entity of the Disclosing Party, as a result of work done pursuant to this Agreement, or generated or developed in the performance of work under this Agreement. With respect to Trade Secrets, the Receiving Party agrees not to use for any purpose whatsoever or to disclose Trade Secrets at any time during or after the term of this Agreement or until such Trade Secrets lose their status as such by becoming generally available to the public by independent discovery, development, or publication. Furthermore, the Receiving Party will not display for any purpose any drawing, letter, report, other document, or any copy or reproduction thereof belonging to or pertaining to the Disclosing Party, or to an affiliated entity of the Disclosing Party, unless such drawing, letter, report, or other document has been previously published by the Disclosing Party. Publication shall not include publication to an affiliated entity of the Disclosing Party. Upon termination of this Agreement, the Receiving Party agrees to return all Confidential Information to the Disclosing Party.
- f. The covenants regarding Confidential Information and Trade Secrets will apply to any Confidential Information or Trade Secrets disclosed to the Receiving Party by the Disclosing Party before or after the date of this Agreement.

## **7. Intellectual Property Rights.**

- a. The term “Protected Works”, as used in this Agreement, includes any and all works of authorship, inventions, discoveries, processes, machines, manufactures, compositions of matter, formulas, techniques, computer programs, systems, software, source code, firmware, object code, hardware systems, mask works, trade secrets, proprietary information, schematics, flow charts, databases, customer lists, marketing plans, product plans, business strategies, financial information, forecasts, trademarks, service marks, brand names, trade names, compilations, documents, data, notes, reports, findings, recommendations, designs, drawings, sketches, notebooks, ideas, concepts, technical data and/or training materials, and improvements to or derivatives from any of the above, whether or not patentable, or subject to copyright or trademark or trade secret protection, delivered by the Consultant to the Company under this Agreement before or after the date of this Agreement, or conceived, developed or produced by the Consultant, whether alone or jointly with others, in connection with or pursuant to the Consultant’s performance under this Agreement, except as detailed in paragraph 7.b.

- b. The term “Protected Works”, as used in this Agreement, shall not include the items listed below. These are and will remain the property of Pegasus Technologies even though they may be used in or made a part of the work performed under this Agreement:
  - i. *[List. If none, write “None” here.]*
  - ii. *[List]*
  - iii. *[Describe any licenses or other terms and arrangements that will be govern the use of these items in the work under this Agreement. ]*
- c. The term “Intellectual Property Rights”, as used in this Agreement, includes all rights of inventorship and authorship, all rights in patents and patent applications, all copyrights, all trademark and service mark rights, all rights in trade secret and proprietary information, all rights of attribution and integrity and other moral rights, and all other intellectual property rights of any type.
- d. The Consultant agrees that all Protected Works shall be deemed “work for hire” under the United States Copyright Act and owned exclusively by the Company. To the extent any Protected Work cannot be deemed work for hire, the Consultant agrees to assign and hereby does assign to the Company all right, title, and interest in and to all Protected Works and all Intellectual Property Rights in and to the Protected Works. The Consultant agrees to execute any documents reasonably required by the Company to evidence the Company’s exclusive ownership of the Protected Works, and all Intellectual Property rights therein, as contemplated by this Agreement.
- e. The parties (and all individuals representing either party in a technical capacity under this Agreement) agree(s) to execute the *[Consultant’s / Company’s]* standard proprietary information agreement and to fully abide by all the terms of that agreement (copy attached).

**IN WITNESS WHEREOF** the parties hereto have executed this Agreement as of the day and year first above written:

**COMPANY**

**CONSULTANT**

\_\_\_\_\_  
Name  
Title

\_\_\_\_\_  
James W. Pearce  
President, Pegasus Technologies, Inc.