

Use this checklist to determine whether your covenant not to compete is enforceable under Texas law.

 Is the non-compete ancillary to another agreement? An employment agreement A stock option agreement A non-disclosure agreement Is not a stand-alone non-compete agreement 	Yes 🔜 No 🔄
 2. Is there adequate consideration? Business goodwill Confidential or proprietary information Trade secrets Customer information Specialized training Stock options 	Yes 🗌 No 🗌
 3. Is each restriction reasonable? Do they impose a greater restraint than is necessary to protect the goodwill or other business interests of the employer? Are they narrowly tailored to the individual employee and the job description? Do other employees with access to the same information have the same restrictions? 	Yes 🔄 No
 3(a) Is the geographic scope reasonable? Is it limited to the territory in which the employee worked during his or her employment? Alternatively, is it limited to the employee's clients? 	Yes 🔜 No 🔄
 3(b) Is the temporal scope reasonable? Is it limited to two years or less? Is it tailored to the job level? (e.g., a high-level executive might have a longer limitation than an entry-level worker) 	Yes 🔄 No 🔄
 3(c) Is the prohibited scope of activity reasonable? Does it bear some relation to the activities of the employee? Is it narrow and not an industry-wide exclusion? 	Yes No

If the answers to all of the questions in the checklist are "yes," then it is likely an enforceable non-compete in Texas. However, this will of course be "judge dependent" who will be the final arbiter of reasonableness.



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