

STELLAR DEVELOPMENT FOUNDATION

PROPRIETARY AND CONFIDENTIAL INFORMATION, DEVELOPMENTS AND NON-SOLICITATION AGREEMENT

This Proprietary and Confidential Information, Developments and Non-Solicitation Agreement is made by and between Stellar Development Foundation (the “**Company**”), and _____ (the “**Employee**”).

IN CONSIDERATION of the Employee’s employment and/or continued employment with the Company and for other valuable consideration, receipt of which is acknowledged, the Employee agrees as follows:

1. Condition of Employment.

(a) The Employee acknowledges that his/her employment and/or the continuance of that employment with the Company is contingent upon his/her agreement to sign and adhere to the provisions of this Proprietary and Confidential Information, Developments and Non-Solicitation Agreement (“**Agreement**”). The Employee further acknowledges that the nature of the Company’s business is such that protection of its proprietary and confidential information is critical to the business’ survival and success. For purposes of Sections 2, 3 and 4, “the Company” shall include Stellar Development Foundation, and its corporate affiliates and associated companies.

(b) This Agreement will apply to the Employee’s employment relationship with the Company. If that relationship ends and the Company, within a year thereafter, either re-employs the Employee or engages the Employee as a consultant, the Employee agrees that this Agreement will also apply to such later employment or consulting relationship, unless the Company and the Employee otherwise agree in writing. Any such employment or consulting relationship between the Company and the Employee, whether commenced prior to, upon or after the date of this Agreement, is referred to herein as the “**Relationship.**”

2. Proprietary and Confidential Information.

(a) The Employee agrees that all information and know-how, whether or not in writing, of a private, secret or confidential nature concerning the Company’s business or financial affairs (collectively, “**Proprietary Information**”) is and shall be the exclusive property of the Company. By way of illustration but not limitation, Proprietary Information may include

systems, software and codes, or systems, software and codes in the course of development, or planned or proposed systems, software or codes, customer and prospect lists, contacts at or knowledge of customers or prospective customers, customer accounts and other customer financial information, price lists and all other pricing, marketing and sales information relating to the Company or any customer or supplier of the Company, databases, modules, products, processes, methods, techniques, operations, projects, developments, plans, research data, financial data and personnel data. The Employee will not disclose any Proprietary Information to others outside the Company or use the same for any unauthorized purposes without written approval by an officer of the Company, either during or at any time after the term of the Relationship, unless and until such Proprietary Information has become public knowledge without fault by the Employee. During the term of the Relationship, the Employee will use the Employee's best efforts to prevent publication or disclosure of any confidential or Proprietary Information concerning the business, products, processes or affairs of the Company.

(b) The Employee agrees that all disks, files, letters, memoranda, reports, records, data, drawings, notebooks, program listings, or written, photographic, or any other record containing Proprietary Information, whether created by the Employee or others, which shall come into the Employee's custody or possession, shall be and are the exclusive property of the Company to be used only in the performance of the Employee's duties for the Company. Upon termination, the Employee agrees to return to the Company any and all copies of materials in the Employee's custody or possession, containing Proprietary Information. The Employee agrees that, at the time of termination of the Relationship, the Employee will deliver to the Company (and will not keep in the Employee's possession, recreate or deliver to anyone else) any and all devices, records, data, notes, reports, proposals, lists, correspondence, specifications, drawings, blueprints, sketches, laboratory notebooks, materials, flow charts, equipment, other documents or property, or reproductions of any of the aforementioned items developed by the Employee pursuant to the Relationship or otherwise belonging to the Company, its successors or assigns.

(c) The Employee acknowledges and agrees that the Employee has no expectation of privacy with respect to the Company's telecommunications, networking or information processing systems (including, without limitation, files, e-mail messages, and voice messages) and that the Employee's activity and any files or messages on or using any of those systems may be monitored at any time without notice. The Employee further agrees that any property situated

on the Company's premises and owned by the Company, including disks and other storage media, filing cabinets or other work areas, is subject to inspection by Company personnel at any time with or without notice.

(d) The Employee acknowledges that his/her obligations with regard to Proprietary Information which are set out in paragraphs (a) and (b) above, extends to all information, know-how, records and tangible property of customers of the Company or suppliers to the Company or of any third party who may have disclosed or entrusted the same to the Company or to the Employee in the course of the Company's business.

(e) The Employee agrees to the purchase and sale restrictions set forth in the PIIA Addendum (attached hereto as Exhibit D).

3. Developments.

(a) The Employee will make full and prompt disclosure to the Company of all inventions, improvements, discoveries, methods, developments, software, and works of authorship, whether patentable or not, which are created, made, conceived or reduced to practice by the Employee or under the Employee's direction or jointly with others during the Relationship, whether or not during normal working hours or on the premises of the Company (all of which are collectively referred to in this Agreement as "**Developments**").

(b) The Employee agrees to assign and does hereby assign to the Company (or any person or entity designated by the Company) all his/her right, title and interest in and to all Developments and all related patents, patent applications, copyrights and copyright applications to the maximum extent permitted by Section 2870 of the California Labor Code or any like statute of any other state. The Employee hereby also waives all claims to moral rights in any Developments. The Employee understands that the provisions of this Agreement requiring assignment of Developments to the Company do not apply to any invention which qualifies fully under the provisions of California Labor Code Section 2870 (attached hereto as Exhibit A). The Employee agrees to advise the Company promptly in writing of any inventions that he/she believes meets the criteria in Section 2870 and not otherwise disclosed on Exhibit B.

(c) If in the course of the Relationship, the Employee uses or incorporates into a product, process or machine any inventions not covered by Section 3(b) of this Agreement in which the Employee has an interest, the Employee will promptly so inform the Company. Whether or not the Employee gives such notice, the Employee hereby irrevocably grants to the

Company a nonexclusive, fully paid-up, royalty-free, assumable, perpetual, worldwide license, with right to transfer and to sublicense, to practice and exploit such inventions and to make, have made, copy, modify, make derivative works of, use, sell, import, and otherwise distribute under all applicable intellectual properties without restriction of any kind.

(d) The Employee agrees to cooperate fully with the Company, both during and after his/her employment with the Company, with respect to the procurement, maintenance and enforcement of copyrights and patents (both in the United States and foreign countries) relating to Developments. The Employee shall sign all papers, including, without limitation, copyright applications, patent applications, declarations, oaths, formal assignments, assignment of priority rights, and powers of attorney, which the Company may deem necessary or desirable in order to protect its rights and interests in any Development. The Employee further agrees that if the Company is unable, after reasonable effort, to secure the signature of the Employee on any such papers, any executive officer of the Company shall be entitled to execute any such papers as the agent and the attorney-in-fact of the Employee, and the Employee hereby irrevocably designates and appoints each executive officer of the Company as his/her agent and attorney-in-fact to execute any such papers on his/her behalf, and to take any and all actions as the Company may deem necessary or desirable in order to protect its rights and interests in any Development, under the conditions described in this sentence.

4. Non-Solicitation.

(a) For a period of twelve (12) months following the Employee's termination for any reason, the Employee will not, either alone or in association with others, (i) recruit or solicit any person who was employed by the Company or engage as an independent contractor at any time during the period of the Employee's employment with the Company, except for an individual whose employment with the Company has been terminated for a period of six months or longer, (ii) hire or engage as an independent contractor any person who was employed by the Company at any time during the period of the Employee's employment with the Company, except for an individual whose employment with the Company has been terminated for a period of six months or longer, or (iii) solicit, divert or take away, or attempt to divert or to take away, the business or patronage of any of the clients, customers or accounts, or prospective clients, customers or accounts, of the Company which were contacted, solicited or served by the Employee while he/she was employed by the Company.

(b) If any restriction set forth in this Section 4 is found by any court of competent jurisdiction to be unenforceable because it extends for too long a period of time or over too great a range of activities or in too broad a geographic area, it shall be interpreted to extend only over the maximum period of time, range of activities or geographic area as to which it may be enforceable.

(c) The Employee acknowledges that the restrictions contained in this Agreement are necessary for the protection of the business and goodwill of the Company and are considered by the Employee to be reasonable for such purpose. The Employee agrees that any breach of this Agreement will cause the Company substantial and irrevocable damage and therefore, in the event of any such breach, in addition to such other remedies which may be available, the Company shall have the right to seek specific performance and injunctive relief without posting a bond.

(d) The geographic scope of this Section shall extend to anywhere the Company or any of its subsidiaries is doing business, has done business or has plans to do business.

(e) The Employee agrees that during the non-solicitation period, he will give notice to the Company of each new business activity he plans to undertake, at least ten (10) business days prior to beginning any such activity. The notice shall state the name and address of the individual, corporation, association or other entity or organization (“**Entity**”) for whom such activity is undertaken and the name of the Employee’s business relationship or position with the entity. The Employee further agrees to provide the Company with other pertinent information concerning such business activity as the Company may reasonably request in order to determine the Employee’s continued compliance with his obligations under this Agreement. The Employee agrees to provide a copy of this Agreement to all person and Entities with whom the Employee seeks to be hired or do business before accepting employment or engagement with any of them.

(f) The Employee hereby authorizes the Company to notify others, including but not limited to customers of the Company and any of the Employee’s future employers or prospective business associates, of the terms and existence of this Agreement and the Employee’s continuing obligations to the Company hereunder.

(g) If the Employee violates the provisions of this Section, the Employee shall continue to be held by the restrictions set forth in this Section, until a period equal to the period of restriction has expired without any violation.

5. Termination Certification. In the event of the termination of the Relationship, the Employee agrees to sign and deliver the “**Termination Certification**” attached hereto as Exhibit C; however, the Employee’s failure to sign and deliver the Termination Certification shall in no way diminish the Employee’s continuing obligations under this Agreement.

6. Other Agreements.

The Employee hereby represents that, except as the Employee has disclosed in writing to the Company, the Employee is not bound by the terms of any agreement with any previous employer or other party to refrain from using or disclosing any trade secret or confidential or proprietary information in the course of his/her employment with the Company or to refrain from competing, directly or indirectly, with the business of such previous employer or any other party. The Employee further represents that his/her performance of all the terms of this Agreement and as an employee of the Company does not and will not breach any agreement to keep in confidence proprietary information, knowledge or data acquired by the Employee in confidence or in trust prior to his/her employment with the Company, and the Employee will not disclose to the Company or induce the Company to use any confidential or proprietary information or material belonging to any previous employer or others.

7. Not An Employment Contract.

The Employee acknowledges that this Agreement does not constitute a contract of employment and does not imply that the Company will continue the Employee’s employment for any period of time.

8. General Provisions.

(a) No Conflict. The Employee represents that the execution and performance by him/her of this Agreement does not and will not conflict with or breach the terms of any other agreement by which the Employee is bound.

(b) Entire Agreement. This Agreement supersedes all prior agreements, written or oral, between the Employee and the Company relating to the subject matter of this Agreement. This Agreement may not be modified, changed or discharged in whole or in part, except by an agreement in writing signed by the Employee and the Company. The Employee agrees that any change or changes in his/her employment duties, or compensation after the signing of this Agreement shall not affect the validity or scope of this Agreement.

(c) Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect or impair the validity or enforceability of any other provision of this Agreement.

(d) Waiver. No delay or omission by the Company in exercising any right under this Agreement will operate as a waiver of that or any other right. A waiver or consent given by the Company on any one occasion is effective only in that instance and will not be construed as a bar to or waiver of any right on any other occasion.

(e) Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of both parties and their respective successors and assigns, including any corporation or entity with which or into which the Company may be merged or which may succeed to all or substantially all of its assets or business, provided however that the obligations of the Employee are personal and shall not be assigned by the Employee.

(f) Governing Law, Forum and Jurisdiction. This Agreement shall be governed by and construed as a sealed instrument under and in accordance with the laws of the State of California without regard to conflict of laws provisions. Any action, suit, or other legal proceeding which is commenced to resolve any matter arising under or relating to any provision of this Agreement shall be commenced only in a court of the State of California (or, if appropriate, a federal court located within California), and the Company and the Employee each consents to the jurisdiction of such a court.

(g) Captions. The captions of the sections of this Agreement are for convenience of reference only and in no way define, limit or affect the scope or substance of any section of this Agreement.

[THIS SPACE LEFT INTENTIONALLY BLANK]

THE OBLIGATIONS PURSUANT TO SECTIONS 2 AND 3 OF THIS AGREEMENT SHALL APPLY TO ANY TIME DURING WHICH EMPLOYEE WAS PREVIOUSLY EMPLOYED, OR IN THE FUTURE EMPLOYED, BY THE COMPANY AS A CONSULTANT IF NO OTHER AGREEMENT GOVERNS NONDISCLOSURE AND ASSIGNMENT OF PROPRIETARY INFORMATION AND DEVELOPMENTS DURING SUCH PERIOD.

THE EMPLOYEE ACKNOWLEDGES THAT HE/SHE HAS CAREFULLY READ THIS AGREEMENT AND UNDERSTANDS AND AGREES TO ALL OF THE PROVISIONS IN THIS AGREEMENT.

IN WITNESS WHEREOF, the parties have executed this Agreement, which shall be effective as of the first day of Employee's employment with the Company.

**STELLAR DEVELOPMENT
FOUNDATION**

Date: _____

By: _____

Name: Jed McCaleb

Title: President and CEO

EMPLOYEE NAME:

Date: _____

(Signature)

Exhibit A

CALIFORNIA LABOR CODE SECTION 2870

INVENTION ON OWN TIME – EXEMPTION FROM AGREEMENT

THIS IS TO NOTIFY Employee, in accordance with Section 2872 of the California Labor Code, that:

(a) Any provision in an employment agreement which provides that an employee shall assign, or offer to assign, any of his or her rights in an invention to his or her employer shall not apply to an invention that the employee developed entirely on his or her own time without using the employer's equipment, supplies, facilities, or trade secret information except for those inventions that either:

(i) Relate at the time of conception or reduction to practice of the invention to the employer's business, or actual or demonstrably anticipated research or development of the employer, or

(ii) Result from any work performed by the employee for his employer.

(b) To the extent a provision in an employment agreement purports to require an employee to assign an invention otherwise excluded from being required to be assigned under subdivision (a), the provision is against the public policy of this state and is unenforceable.

The foregoing limited exclusion does not apply to any patent or invention covered by a contract between the Company and the United States or any of its agencies requiring full title to such patent or invention to be in the United States.

THE UNDERSIGNED ACKNOWLEDGES RECEIPT of a copy of the foregoing notification.

EMPLOYEE:

By: _____

Name: _____

Date: _____

WITNESSED BY:

(Printed Name of Representative)

Exhibit B

LIST OF PRIOR INVENTIONS

AND ORIGINAL WORKS OF AUTHORSHIP

TO: Stellar Development Foundation

FROM: _____

DATE: _____

SUBJECT: Previous Inventions

1. Except as listed in Paragraph 2 below, the following is a complete list of all inventions or improvements relevant to the subject matter of my employment by the Company that have been made or conceived or first reduced to practice by me alone or jointly with others prior to my engagement by the Company:

No inventions or improvements.

See below:

Additional sheets attached.

2. Due to a prior confidentiality agreement, I cannot complete the disclosure under Section 3 above with respect to Developments generally listed below, the proprietary rights and duty of confidentiality with respect to which I owe to the following party(ies):

Developments	Party(ies)	Relationship
1. _____	_____	_____
2. _____	_____	_____
3. _____	_____	_____

Additional sheets attached.

Exhibit C

TERMINATION CERTIFICATION

This is to confirm that I have reviewed the Proprietary and Confidential Information, Developments and Non-Solicitation Agreement (the “**Agreement**”) signed by me and that I understand the terms of the Agreement and the continuing obligations I have under the Agreement. All terms defined in the Agreement have identical definitions herein.

I hereby certify that I have complied with all the terms of the Agreement, including the reporting of any Developments, conceived or made by me (solely or jointly with others) covered by the Agreement. I further certify that I do not have in my possession or control, nor have I failed to return, any specifications, drawings, blueprints, reproductions, prototypes, sketches, notes, reports, proposals or copies thereof, or other document or materials, tools, equipment or other property belonging to Stellar Development Foundation, a Delaware corporation, its subsidiaries, affiliates, successors or assigns (collectively, the “**Company**”), including any documents, records, notebooks, magnetic media and other repositories of Proprietary Information, including copies thereof, whether prepared by me or others.

I further agree that, in compliance with the Agreement, I will preserve and hold any and all Proprietary Information in strictest confidence. I recognize that any other use of Proprietary Information without the written authorization of the Company, such as use of Proprietary Information to form a competing company or to further the business of any existing competing company, is strictly prohibited by the Agreement.

I further agree that for twelve (12) months from the date of this Certification, I shall not either directly or indirectly (i) recruit or solicit any person who was employed by the Company or engage as an independent contractor at any time during the period of my Relationship with the Company, except for an individual whose employment with the Company has been terminated for a period of six months or longer, (ii) hire or engage as an independent contractor any person who was employed by the Company at any time during my Relationship with the Company, except for an individual whose employment with the Company has been terminated for a period of six months or longer, or (iii) solicit, divert or take away, or attempt to divert or to take away, the business or patronage of any of the clients, customers or accounts, or prospective clients, customers or accounts, of the Company which were contacted, solicited or served by me during the Relationship. Further, I shall not at any time use any Proprietary Information of the Company to negatively influence any of the Company’s clients or customers from purchasing Company products or services or to solicit or influence or attempt to influence any client, customer or other person either directly or indirectly, to direct any purchase of products and/or services to any person, firm, corporation, institution or other entity in competition with the business of the Company.

Date: _____

(Employee’s Signature)

(Print Employee’s Name)

Exhibit D

PIIA ADDENDUM

As employees and/or contractors of the Company, we have all accepted an ongoing responsibility to not only the Company, but also the overall community of Stellar users. In order to succeed in its mission to provide financial education and access, the Company, its employees and contractors must always strive to be beyond reproach and must earn and maintain the trust of the Stellar community. As an employee or contractor of the Company, you may have access to, or be perceived to have access to Material, Nonpublic Information (defined on next page) about the Company or the stellar currency that the overall community does not have. The Company has instituted this Addendum in order to prevent the appearance of impropriety with respect to the purchase and/or sale of stellars by the Company's employees and others with Material Nonpublic Information.

This Addendum applies to all employees of, and consultants and contractors to the Company who receive or have access to Material Nonpublic Information. This group of people, members of their immediate families, and members of their households are sometimes referred to in this Addendum as "Insiders." This Addendum also applies to any person who receives Material Nonpublic Information from any Insider. Any person who possesses Material Nonpublic Information regarding the Company or the stellar currency is an Insider for so long as the information is not publicly known. Any employee can be an Insider from time to time, and would at those times be subject to this Addendum.

The following Restrictions shall apply to all Insiders:

- (1) Other than grants made directly by the Company for compensatory purposes, no Insider shall purchase more than \$25,000 of stellars and/or sell more than \$10,000 of stellars in any 30 day period; however, exceptions for amounts that exceed the limit may be allowed if such transactions are made using a Board-approved mechanism to ensure compliance with Section 3 below and approved by the Board;
- (2) Any purchase of more than \$5000 in stellars must be promptly reported to the Board of Directors of the Company;
- (3) No purchases or sales shall be made on any material non-public information, and violation of this section shall result in immediate termination and may be reported to the appropriate authorities

For purposes of this policy, any purchases or sales linked to family members, household members and other connected third parties shall also be presumed to be the responsibility of the applicable employee or contractor unless conclusively demonstrated otherwise. The enforcement and the determination of violations of this Addendum is at the sole discretion of the Board of Directors of the Company, with the best interests of the Company and the Stellar community in mind.

This Addendum does not alter our policy of at-will employment for employees. Either

you or the Company remains free to terminate the employment relationship at any time, with or without cause or notice.

Definition of Material Nonpublic Information

It is not possible to define all categories of material information. However, information should be regarded as material if there is a reasonable likelihood that it would be considered important to a person in making a decision regarding the purchase or sale of stellar. Either positive or negative information may be material. The Board of Directors has the sole discretion as to the determination of what constitutes Material Nonpublic Information with respect to the enforcement of this Addendum.

While it may be difficult under this standard to determine whether particular information is material, there are various categories of information that are particularly sensitive and, as a general rule, should always be considered material. Examples of such information may include:

- Changes in adoption or growth rates
- Discovery of security threats
- Significant developments related to intellectual property underlying the currency
- Significant developments involving corporate or other relationships
- New service announcements of a significant nature
- Significant litigation exposure due to actual or threatened litigation
- Nonpublic information about potential or actual governmental regulations, legislation or enforcement actions
- Nonpublic information affecting the valuation of stellars

Nonpublic information is information that has not been previously disclosed to the general public and is otherwise not available to the general public.