

Confidentiality/Non-Disclosure Agreements

In today's competitive work environment, many employers wish to take whatever actions they can to protect confidential business information from their competitors. Often they attempt to do this using a confidentiality or non-disclosure agreement.

Below is an example of one of these agreements. It is not intended to be used in this form and is provided only as a source of reference for the types of clauses common in these agreements. **Note that the law in this area is very complex and that these agreements are not favored by courts (in some states they are unlawful) - you must take great care in drafting and executing the agreement if you want it to be effective. Have this and any employment agreement reviewed by competent labor counsel before using it. This site does not provide legal advice.**

In consideration of _____
provided to me in exchange for executing this agreement, I
_____, hereby acknowledge and agree
that:

In order to successfully fulfill my job responsibilities, I will be given access to certain confidential information and trade secrets including, but not limited to: customer information, supplier information, route maps, marketing methods, potential prospect information, training methods, pricing information, software, financial information and other confidential data (hereafter referred to a "Confidential Business Information"). I specifically agree that all such confidential information is property of XYZ and I will not disclose such trade information to any third party during my employment with XYZ. I also acknowledge that disclosure of such information will cause irreparable harm to the XYZ companies.

I promise that, during the term of my employment and in the event my employment with the XYZ companies should end for any reason, I will not:

1. Directly or indirectly compete with XYZ in any

_____ business in the service area of _____ for a period of two years following the date my employment ends.

2. Solicit any such customer or prospective customer whom I came to know by virtue of my employment with XYZ for a period of two years following the date my employment ends.
3. Undertake any employment or activity in the _____ business in which the loyal and complete fulfillment of the duties of the employment or activity would call me to reveal, make judgments on, or otherwise use any Confidential Business Information to which I was given access during my employment with XYZ, or otherwise involve acts of unfair competition against XYZ.
4. Disclose to any third party the Confidential Business Information or trade secrets of XYZ, Inc.

I acknowledge and agree that, if compliance with this agreement in any way impairs my ability to obtain future employment, that I will contact XYZ to negotiate a mutually agreeable termination of this agreement. I further agree that I will not accept any offer of employment in any _____ business during the term of this agreement without first notifying XYZ and any prospective employer of the terms of this agreement and/or the terms of the offer from the prospective employer.

I agree that XYZ may inform any prospective employer of the terms of this agreement for a period of two years after the conclusion of my employment and hereby waive and release XYZ from any claim for damages, liability or harm whatsoever, including claims for punitive damages and attorney's fees, over XYZ disclosure of this agreement. I acknowledge and agree that, if any part of this agreement is violated for any reason, any association with the XYZ companies may be terminated by the XYZ companies without recourse.