

Legal accelerator



Ten Things To Consider In Confidentiality Or Non-Disclosure Agreements

The following is a checklist of ten things to consider before entering into a confidentiality or non-disclosure agreement:

1. **What information must be treated as “confidential”?** Clarify whether *any* information disclosed should be treated as confidential, or only information which is in a particular form or expressly marked as “confidential”.
2. **Who can have access to the confidential information?** Which employees or professional advisers can confidential information be disclosed to?
3. **For what *permitted use* can confidential information be put?** Decide whether or not information can be copied, modified or only used for only a specific business purpose (e.g. in connection with a particular contract).
4. **Are intellectual property rights also licensed?** The disclosing party should reserve all its intellectual property rights in disclosed information.
5. **Are there *exclusions* to confidentiality obligations?** Typically confidentiality agreements do not apply to information which the recipient is required to disclose by law or which lawfully comes into the public domain.
6. **How long will confidentiality obligations last?** State how long the confidentiality agreement will last and when the disclosed information must be returned.
7. **Are there *other legal issues* to consider than just confidentiality?** For example, confidentiality restrictions on employees must not restrain trade by continuing for an excessively long time after the employment has ended.
8. **Restrictions on *assignment*.** If the confidentiality agreement is not transferable to a third party this should be stated.
9. **Remedies for breach of contract.** Often a disclosing party will seek to obtain an indemnity from the recipient of information for unauthorised disclosures of confidential information.
10. **Use a good precedent.** For more information on this topic email info@legalaccelerator.com or visit our website www.legalaccelerator.com.

Contact Information

If you would like to discuss any of the matters raised in this document, or would like to receive a copy of the Legal Accelerator Market Report, please email:

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