

CONFIDENTIALITY AND NON-CIRCUMVENTION AGREEMENT

This is a customizable starting template, not a finished legal document. Replace every [BRACKETED] field with your specifics, delete or adapt any clause that does not fit your deal, and have a licensed attorney in the governing jurisdiction review it before you or anyone else signs. CyberSygn is not a law firm and this template is not legal advice.

This Confidentiality and Non-Circumvention Agreement (this "**Agreement**") is entered into as of [EFFECTIVE DATE] (the "**Effective Date**") by and between:

[PARTY A LEGAL NAME], a [STATE] [ENTITY TYPE] with its principal place of business at [PARTY A ADDRESS] ("**Party A**"); and

[PARTY B LEGAL NAME], a [STATE] [ENTITY TYPE] with its principal place of business at [PARTY B ADDRESS] ("**Party B**").

Party A and Party B are each a "**Party**" and together the "**Parties**." Where a Party discloses information, it is the "**Disclosing Party**"; where a Party receives information, it is the "**Receiving Party**."

Recitals. The Parties wish to explore a potential business relationship concerning [DESCRIBE THE PURPOSE, e.g. a joint venture, supply arrangement, introduction to contacts, or transaction] (the "**Purpose**"). In the course of the Purpose, each Party may disclose confidential information and may introduce the other to business contacts, sources, customers, suppliers, financing parties, or opportunities. The Parties wish to protect that information and to ensure that neither Party bypasses the other to deal directly with those contacts. In consideration of the mutual promises below, the Parties agree as follows.

1. Definitions

1.1 Confidential Information. "**Confidential Information**" means non-public information disclosed by the Disclosing Party to the Receiving Party, in any form, that is marked confidential or that a reasonable person would understand to be confidential given its nature and the circumstances of disclosure, including business plans, pricing, financial information, customer and supplier lists, methods, and technical information.

1.2 Protected Contacts. "**Protected Contacts**" means the persons and entities introduced or made known by one Party (the "**Introducing Party**") to the other Party (the "**Introduced Party**") in connection with the Purpose, including customers, suppliers, lenders, investors, agents, brokers, sources, and other counterparties, together with their affiliates and personnel.

1.3 Transaction. "**Transaction**" means any business dealing, contract, sale, purchase, financing, joint venture, or other arrangement involving a Protected Contact that arises out of or relates to the introduction made under this Agreement.

2. Confidentiality Obligations

2.1 Use restriction. The Receiving Party will use Confidential Information only to evaluate and pursue the Purpose and for no other purpose.

2.2 Protection. The Receiving Party will protect Confidential Information using at least the same degree of care it uses for its own confidential information, and no less than reasonable care.

2.3 Limited disclosure. The Receiving Party will disclose Confidential Information only to its officers, employees, and professional advisors who need it for the Purpose and who are bound by confidentiality obligations at least as protective as these. The Receiving Party is responsible for any breach by those persons.

2.4 No copying. The Receiving Party will not copy or reproduce Confidential Information except as reasonably necessary for the Purpose.

3. Exclusions and Compelled Disclosure

3.1 Exclusions. Confidentiality obligations do not apply to information that: (a) is or becomes public through no fault of the Receiving Party; (b) was rightfully known to the Receiving Party without restriction before disclosure; (c) is rightfully obtained from a third party without restriction; or (d) is independently developed without use of the Confidential Information.

3.2 Compelled disclosure. The Receiving Party may disclose Confidential Information to the extent required by law, regulation, or court order, provided it gives the Disclosing Party prompt written notice (where legally permitted) and reasonable cooperation to seek protective treatment, and discloses only what is legally required.

4. Non-Circumvention

4.1 Covenant not to circumvent. During the Term and for the Tail Period described in Section 6.2, neither Party will, directly or indirectly, and whether alone or through any affiliate, agent, or other person, circumvent, avoid, bypass, or attempt to circumvent the other Party in order to deal directly or indirectly with any Protected Contact introduced by that other Party in connection with the Purpose, for the purpose of avoiding the payment of fees, commissions, or other compensation, or of depriving the other Party of the benefit of the relationship.

4.2 Dealings through the Introducing Party. During the periods in Section 4.1, the Introduced Party will conduct any Transaction with a Protected Contact only with the knowledge and participation of, or on terms agreed in writing with, the Introducing Party.

4.3 Compensation on circumvention. If the Introduced Party enters into a Transaction with a Protected Contact in breach of this Section 4, the Introduced Party will pay the Introducing Party the fee or commission it would have earned had the Transaction been conducted through the Introducing Party, namely **[DESCRIBE THE FEE BASIS, e.g. [PERCENT]% of the gross value of the Transaction]**, without limiting the Introducing Party's other remedies.

4.4 Pre-existing relationships. This Section 4 does not apply to a contact that the Introduced Party can demonstrate, by written records predating the introduction, was already its established customer, supplier, or counterparty independent of the introduction.

5. No License; No Obligation to Proceed

5.1 No license. Nothing in this Agreement grants either Party any license or right in the other Party's Confidential Information or intellectual property, except the limited right to use it for the Purpose.

5.2 No obligation. Nothing in this Agreement obligates either Party to proceed with the Purpose or any Transaction or to enter into any further agreement. Any binding commitment requires a separate written agreement.

5.3 **No exclusivity.** Except for the non-circumvention covenant in Section 4, nothing in this Agreement restricts either Party from pursuing other business or dealing with persons it identifies independently.

6. Term and Survival

6.1 **Term.** This Agreement begins on the Effective Date and continues for [NUMBER, e.g. 2] years, unless terminated earlier by either Party on [NUMBER] days' written notice (the "Term").

6.2 **Survival of obligations.** The confidentiality obligations in Sections 2 and 3 survive for [NUMBER, e.g. 3] years after the end of the Term. The non-circumvention covenant in Section 4 survives for [NUMBER, e.g. 2] years after the end of the Term (the "Tail Period"). The Parties should confirm with counsel that these durations are reasonable and enforceable in the governing jurisdiction, as enforceability of non-circumvention covenants varies by state.

6.3 **Return or destruction.** On termination or the Disclosing Party's written request, the Receiving Party will return or destroy Confidential Information in its possession, except for copies retained in routine backups or as required by law, which remain subject to this Agreement.

7. Remedies

7.1 **Injunctive relief.** Each Party acknowledges that a breach of Section 2, 3, or 4 may cause irreparable harm for which money damages are inadequate, and that the non-breaching Party is entitled to seek injunctive and other equitable relief, in addition to any other remedy, without the necessity of posting a bond except as required by law.

7.2 **Cumulative remedies.** The remedies in this Agreement are cumulative and in addition to any other remedy available at law or in equity.

7.3 **Reasonable adjustment.** If a court finds any restriction in Section 4 overbroad or unenforceable, the Parties intend that the court reduce it to the maximum scope, duration, and geographic area that is enforceable rather than strike it entirely, to the extent permitted by law.

8. General Provisions

8.1 **Governing law and venue.** This Agreement is governed by the laws of the State of [STATE], without regard to its conflict-of-laws rules, and the Parties submit to the exclusive jurisdiction of the state and federal courts located in [COUNTY, STATE].

8.2 **Assignment.** Neither Party may assign this Agreement without the other's prior written consent, except to a successor in connection with a merger, acquisition, or sale of substantially all assets, on written notice.

8.3 **Notices.** Notices must be in writing and sent to the addresses above (or as updated in writing) and are effective on receipt.

8.4 **Entire agreement; amendment.** This Agreement is the entire agreement of the Parties on its subject and supersedes prior discussions on that subject. It may be amended only by a writing signed by both Parties.

8.5 **Severability and waiver.** If any provision is unenforceable, the rest remains in effect, subject to Section 7.3. A Party's failure to enforce a provision is not a waiver.

8.6 **Counterparts and electronic signature.** This Agreement may be signed in counterparts and by electronic signature, each of which is an original and all of which together form one agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

PARTY A

PARTY B

Signature: _____

Signature: _____

Printed name: **[NAME]**

Printed name: **[NAME]**

Title: **[TITLE]**

Title: **[TITLE]**

Date: _____

Date: _____

Template provided by CyberSygn. Not legal advice. CyberSygn is not a law firm. Consult a licensed attorney in your jurisdiction before relying on this document.