

Sample Confidentiality Agreement

Confidentiality Agreement

By and between ABC and XYZ, nonprofit corporations incorporated in _____.

ABC and XYZ are engaged in merger negotiations. As this process proceed, sensitive, confidential, and/or proprietary information may be exchanged by the parties. In order to protect the privacy and business interests of each of the parties, they agree to the following terms:

1. At the conclusion of negotiations, if a merger is not agreed to, all copies of all documents distributed to each party by the other party or its agents will be returned to the originating party.
2. Neither party will at any time during the period of merger negotiations or after merger negotiations are concluded make known to any third party any information or furnish any documents containing information pertaining to the other party.
3. In the event a merger is not agreed upon, neither party will make any use or take advantage of anything it has learned about the other party's organization, board, staff, donors, clients, finances, legal dealings, or operations, nor will it use anything it has so learned to compete with the other party.
4. In the event a merger is not agreed upon, the parties will agree upon a joint statement to be issued to any third party requesting information about the merger negotiations. This statement will reflect positively upon both parties.

This agreement is entered into this _____ day of _____, _____.

Chairman of the Board, ABC

Chairman of the Board, XYZ

Executive Director, ABC

Executive Director, XYZ