

CONFIDENTIALITY AGREEMENT

_____, ("Employee"), in consideration for and as a condition of Employee's continued employment with _____, ("Employer") agrees as follows:

Employees must treat all Confidential Information as strictly confidential both during employment and after employment with Employer ends. To maintain the confidentiality of Employer's Confidential Information, the parties enter into this Agreement.

1. Employees should not access or use any Confidential Information to which Employer has not provided the employee access or authorization to use.

2. The Employee understands and acknowledges that during the course of employment by the Employer, [he/she] will have access to and learn about confidential, secret and proprietary documents, materials and other information, in tangible and intangible form, of and relating to the Employer and its businesses and existing and prospective customers, suppliers, investors and other associated third parties ("Confidential Information"). The Employee further understands and acknowledges that this Confidential Information and the Employer's ability to reserve it for the exclusive knowledge and use of the Employer is of great competitive importance and commercial value to the Employer, and that improper use or disclosure of the Confidential Information by the Employee might cause the Employer to incur financial costs, loss of business advantage, liability under confidentiality agreements with third parties, civil damages and criminal penalties.

For purposes of this Agreement, Confidential Information includes, but is not limited to, all information not generally known to the public, including all data, documents, reports, agreements, interpretations, plans, studies, forecasts, projections and records, whether in oral or written form, electronically stored or otherwise and whether or not labeled confidential, proprietary or the like, that relate directly or indirectly to: [business and operating processes, practices methods, policies, techniques, systems, and plans; publications; documents; research; operations; product and service information, including research and development and proposed product and services; strategies; techniques; recruiting procedures; agreements; contracts; terms of agreements; transactions; potential transactions; negotiations; pending negotiations; all proprietary information and rights; trade secrets; all other intellectual property; all other commercial "know-how," "show-how" and information; supplier information; vendor information; bidding information and strategies; financial information, books and records; costs information, bidding information and strategies; results; accounting information; accounting records; legal information; recruiting plans and strategies; marketing plans and strategies; marketing information; advertising information; pricing information; revenue; costs; customer information customer lists; client information, contracts and agreements; client lists; distributor lists; buyer lists and information relating to past, current and prospective customers, clients, investors, suppliers, and business of the Employer or its businesses or any existing or prospective client, member, customer, supplier, investor or other associated third party, or of any other person or entity that has entrusted information to the employer in confidence.

The Employee understands that the above list is not exhaustive, and that Confidential Information also includes other information that is marked or otherwise identified as confidential or proprietary, or that would otherwise appear to a reasonable person to be confidential or proprietary in the context and circumstances in which the information is known or used.

The Employee understands and agrees that Confidential Information developed by him/her in the course of his/her employment by the Employer shall be subject to the terms and conditions of this Agreement as if the Employer furnished the same Confidential Information to the Employee in the first instance. Confidential Information shall not include information that is generally available to and known by the public at the time of disclosure to the Employee, provided that such disclosure is through no direct or indirect fault of the Employee or person(s) acting on the Employee's behalf.

4. Employee promises and agrees that he/she shall not disclose any Confidential Information to any other person.

5. Employee shall use his/her best efforts to prevent inadvertent disclosure of any Confidential Information to any third party by using the same care and discretion that he/she uses with information he/she considers confidential.

6. Employee agrees that the sale or unauthorized use or disclosure of any of Employer's Confidential Information obtained by Employee during or following his/her employment with Employer constitutes misappropriation as defined by California Civil Code section 3426.1. Employee promises and agrees not to engage in any misappropriation at any time, whether during or following the completion of his/her employment with Employer.

7. Upon Employer's request, Employee shall promptly return to Employer all Confidential Information.

8. The Employee understands and acknowledges that his/her obligations under this Agreement with regard to any particular Confidential Information shall commence immediately upon the Employee first having access to such Confidential Information (whether before or after he/she begins employment by the Employer) and shall continue during and after his/her employment by the Employer until such time as such Confidential Information has become public knowledge other than as a result of the Employee's breach of this Agreement or breach by those acting in concert with the Employee or on the Employee's behalf.

9. Nothing in this Agreement shall be construed to in any way terminate, supersede, undermine or otherwise modify the "at-will" status of the employment relationship between the Employer and the Employee, pursuant to which either the Employer or the Employee may terminate the employment relationship at any time, with or without cause, with or without notice.

10. This Agreement, for all purposes, shall be construed in accordance with the laws of California without regard to conflicts-of-law principles.

11. Unless specifically provided herein, this Agreement contains all the understandings and representations between the Employee and the Employer pertaining to the subject matter hereof and supersedes all prior and contemporaneous understandings, agreements, representations and warranties, both written and oral, with respect to Confidential Information. No provision of this Agreement may be amended or modify unless such amendment or modification is agreed to in writing and signed by the Employee and the Employer.

12. Nothing in this agreement is intended to conflict with or create liability for disclosures of confidential, proprietary, private information or trade secrets that is expressly allowed by governing California law or 18 U.S.C. sec. 1833(b).

13. Should any provision of this Agreement be held by a court of competent jurisdiction to be enforceable only if modified, or if any portion of this Agreement shall be held as unenforceable and thus stricken, such holding shall not affect the validity of the remainder of this Agreement, the balance of which shall continue to be binding upon the Parties with any such modification to become a part hereof and treated as though originally set forth in this Agreement.

SIGNED: _____ DATE: _____

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