TEMPLATE

Investor Non-Disclosure Agreement

This is a template, not legal advice

This document is a general-purpose template provided for information only. It is not legal advice, it does not create a lawyer–client relationship, and nobody has reviewed it against your situation.

Laws differ by country, state and province, and they change. A clause that is standard in one place can be unenforceable — or illegal — in another. Terms that are ordinary between two businesses can be void in a consumer or employment context.

Read every clause before you use it, fill in every blank, and delete anything that does not apply. For anything high-value, unusual, or that you could not afford to lose a dispute over, have a qualified lawyer in your jurisdiction review it before it is signed.

How to use this template

1. Read it end to end and delete any clause that does not apply to you. Blanks are shown as a grey label on a line.
2. Need the other party to sign too, with an audit trail and a tamper-evident seal? That is what the paid product does.

Investor Non-Disclosure Agreement

This Investor Non-Disclosure Agreement (this "Agreement") is made on [Date] between [Company full legal name] of [Company address] (the "Company") and [Investor full legal name] of [Investor address] (the "Investor"). Each is a "Party" and together they are the "Parties".

The Company wishes to share certain confidential information with the Investor in connection with the Investor's evaluation of a potential investment in the Company (the "Purpose"). The Investor is willing to receive that information on the terms of this Agreement. Only the Company discloses Confidential Information under this Agreement; the Investor has no obligation to disclose anything and no rights as a discloser. The Investor reviews and invests in many companies in the ordinary course of its business, including companies that compete with the Company, and clause 5 (Portfolio Companies and Other Investments) confirms that this Agreement does not restrict that ordinary activity.

1. Confidential Information

"Confidential Information" means any non-public information disclosed by the Company to the Investor in connection with the Purpose, in any form — written, oral, visual, electronic or otherwise — whether or not it is marked confidential.

It includes, without limitation: business and financial information, pricing, forecasts, cap table and equity ownership details, customer and supplier lists, product plans, designs, source code, algorithms, technical data, know-how, personnel information, and the existence and contents of any discussions between the Company and the Investor about the Purpose.

2. Effective Date and Term

This Agreement takes effect on [Effective date] and continues for [Term, e.g. two (2) years] unless the Parties end it earlier in writing.

The Investor's obligations under clauses 3 and 4 survive the end of this Agreement and continue for [Survival period, e.g. three (3) years] from the date the relevant Confidential Information was disclosed. Obligations relating to information that qualifies as a trade secret continue for as long as it remains a trade secret under applicable law.

3. Obligations of the Investor

The Investor shall keep all Confidential Information strictly confidential, take at least the same care with it as it takes with its own confidential information (and in no event less than reasonable care), and not disclose it to any third party except as permitted by this Agreement.

The Investor may disclose Confidential Information to those of its partners, officers, employees, professional advisers and other members of its investment or deal team who need it to evaluate the Purpose, provided each of them is bound by confidentiality obligations at least as protective as those in this Agreement. The Investor may also disclose Confidential Information, on a confidential basis and only to the extent its ordinary fund reporting obligations require, to its fund's limited partners, provided they are bound by confidentiality obligations covering it. The Investor remains responsible for any breach by those people.

The Company has no confidentiality obligations under this Agreement, because the Company does not receive any Confidential Information from the Investor under this Agreement.

4. Permitted Use

The Investor shall use Confidential Information only to evaluate the Purpose, and shall not use it to reverse engineer, decompile or analyse any product, sample or material the Company provides except as reasonably necessary to evaluate the Purpose.

Nothing in this Agreement obliges either Party to disclose any particular information, to complete the investment, or to enter into any further agreement.

5. Portfolio Companies and Other Investments

The Investor and its affiliates evaluate, negotiate with, and invest in numerous companies in the ordinary course of business, including companies that develop, offer, or plan to offer products or services that compete with the Company's. This Agreement does not restrict that ordinary activity, and does not require the Investor to decline, forgo, or wall off any other investment or business opportunity solely because the Company has disclosed Confidential Information to it.

This clause does not permit the Investor to use or disclose the Company's Confidential Information in evaluating, negotiating, or making any other investment. The Investor's obligations under clauses 3 (Obligations of the Investor) and 4 (Permitted Use) continue to apply in full to the Company's Confidential Information regardless of any other investment or business activity the Investor pursues.

6. Exclusions

The obligations in this Agreement do not apply to information that the Investor can show:

(a) was already lawfully known to it, without any duty of confidentiality, before the Company disclosed it;

(b) is or becomes public through no act or omission of the Investor;

(c) is lawfully received from a third party who is free to disclose it;

(d) was independently developed by the Investor without reference to the Confidential Information; or

(e) is or becomes known to the Investor through its evaluation of, or investment in, a company other than the Company, without reference to or use of the Company’s Confidential Information.

7. Required Disclosure

If the Investor is required by law, regulation, court order or a regulator to disclose Confidential Information, it may do so — but only to the extent required, and it shall (where lawful and practicable) notify the Company first so the Company has an opportunity to seek protective treatment.

8. Return or Destruction

On the Company's written request, or when this Agreement ends, the Investor shall promptly return or destroy all Confidential Information in its possession, including any copies, notes and derived material, and confirm in writing that it has done so.

The Investor may retain one copy to the extent required by law, its fund compliance policies, or its ordinary backup and record-retention policies. Anything retained remains subject to this Agreement for as long as it is retained.

9. No Licence and No Warranty

All Confidential Information remains the property of the Company. Nothing in this Agreement grants the Investor any licence or right in any patent, copyright, trade mark, trade secret or other intellectual property of the Company.

Confidential Information is provided "as is". The Company gives no warranty as to its accuracy or completeness, and this Agreement is not investment advice or an offer or solicitation to invest.

10. Remedies

The Investor acknowledges that damages alone may not be an adequate remedy for its breach of this Agreement, and that the Company may seek injunctive or other equitable relief in addition to any other remedy available to it.

11. Governing Law and Jurisdiction

This Agreement and any dispute arising out of it are governed by the laws of [Governing law, e.g. the State of Delaware] . The Parties submit to the exclusive jurisdiction of the courts of [Jurisdiction] .

12. General

This Agreement is the entire agreement between the Parties about the confidentiality of information disclosed for the Purpose, and replaces any earlier understanding on that subject. It may only be amended in writing signed by both Parties.

Neither Party may assign this Agreement without the other's written consent. If any provision is held unenforceable, the rest continues in force. A failure to enforce any provision is not a waiver of it.

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 agreement with the terms above, the parties have signed below on the dates written beside their signatures.

Company

Signature: ______________________

Printed name: ______________________

Company: ______________________

Title: ______________________

Date: ______________________

Investor

Signature: ______________________

Printed name: ______________________

Company: ______________________

Title: ______________________

Date: ______________________