A Sampler of Confidentiality Clauses for Inclusion in Settlement Agreements

After a successful mediation, a written settlement agreement is generally prepared to memorialize the terms of the resolution. One or more of the parties often wants the terms of that settlement to remain confidential, and seeks to include a confidentiality clause in that written agreement.

The examples of confidentiality clauses which appear below are provided only as a convenience, to suggest how different drafters have approached the issue. Litigation Solutions Law Group assumes no responsibility for their use, and provides no advice regarding their suitability or enforceability in the circumstances of a particular case.

These sample provisions are merely intended to be suggestive, and are certainly by no means exhaustive. Please feel free to use or modify them, as you feel appropriate, to fit the circumstances of your particular case. Of course, competent legal advice should always be sought from a lawyer familiar with the preparation of such agreements, before using any confidentiality provisions, or before making any decision that may affect legal rights or obligations.

If you have a confidentiality clause that you believe is particularly useful, please take moment to E-mail it to us for inclusion.

Confidentiality

The terms and conditions of this Agreement are confidential between the parties and shall not be disclosed to anyone else, except as may be necessary to effectuate its terms.

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Confidentiality

[Name of Plaintiff / Claimant] further agrees that they shall treat the fact of this compromise settlement between the parties, and the contents of this Agreement, as absolutely confidential. [Name of Plaintiff / Claimant] shall not disclose anything regarding this compromise settlement to any other person or entity not directly affiliated with the parties, unless legally compelled to do so, and then, only upon timely prior notice to [Name of Defendant], giving it sufficient time to contest any such disclosure.
In the event any inquiry is made of [Name of Plaintiff / Claimant] concerning this matter, they shall indicate only that “the litigation has been dismissed,” and shall give no other indication of the outcome. Confidentiality is a material part of this Agreement, and is intended to apply to and be binding upon [Name of Plaintiff / Claimant] personally, and all employees, agents and other representatives of [Name of Plaintiff / Claimant, if appropriate]. The [Name of Plaintiff / Claimant] shall take all steps necessary to assure that this provision is communicated to and followed by those intended to be bound.

Confidentiality

The existence, nature, terms and conditions of this Agreement are strictly confidential and shall not be disclosed by Employee in any manner or form, directly or indirectly, to any person or entity under any circumstances.

Further, Employee shall not discuss, comment upon, disparage, or disclose any information, in any manner or form, directly or indirectly, to any person or entity, about:

(1) the Employer;

(2) Employer's officers, directors, shareholders, agents, other employees, or other representatives;

(3) any aspect of Employer's business or operations; and

(4) any aspect of Employee's employment with Employer.

Employee shall not assist, or cooperate with, any other person or entity in committing any act which, if committed by Employee, would constitute a violation of this section.

Any violation of this section shall be deemed a material breach of this Agreement by Employee.
(2) Employer's officers, directors, shareholders, agents, other employees, or other representatives;

(3) any aspect of Employer's business or operations;

(4) any aspect of Employee's employment with Employer.

Further, Employer shall not discuss, comment upon, disparage, or disclose any information, in any manner or form, directly or indirectly, to any person or entity, about Employee.

The parties shall not assist, or cooperate with, any other person or entity in committing any act which, if committed by either of the parties, would constitute a violation of this section.

Any violation of this section by either of the parties shall be deemed a material breach of this Agreement.

Confidentiality
The parties and their attorneys shall keep the specific terms, conditions and covenants of this Agreement confidential except:

(i) where mutually agreed to in writing by the parties;

(ii) where necessary to share such information with the parties’ accountants or attorneys;

(iii) where disclosure to a governmental entity is required; or

(iv) where disclosure is ordered by a court of competent jurisdiction.

The parties and their attorneys shall not communicate with anyone associated with any media or publication entities concerning the terms of this Agreement. This confidentiality provision is a material term of this Agreement, and its violation shall constitute a breach of this Agreement.