

Commercial Contract

EMPLOYEE NON-DISCLOSURE AGREEMENT



*Empowered lives.
Resilient nations.*



Small and Medium Enterprises Development Authority

Ministry of Industries & Production

Government of Pakistan

www.smeda.org.pk

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January 2013

Employee Non-Disclosure Agreement

Pro-Gole (Right to do Business)

Legal Services, B&SDS

LEGAL SERVICES, SMEDA

The Legal Services (LS) department is a part of Business & Sector Development Services Division of the Small Medium Enterprises Development Authority and plays a key role in providing an overall facilitation and support to the small businesses. The LS believes that information dissemination among the small businesses on the existing legal & regulatory environment and business to business and business to client contracting is of paramount importance and plays a pivotal role in their sustainable development.

In order to facilitate small businesses, the LS, under the Pro-GOLE (Right to do business) project, a joint SMEDA-UNDP initiative for supporting the small businesses, has developed user-friendly contract templates.

Pro-GOLE, (Right to do Business)

The UNDP has partnered with the Small and Medium Enterprises Development Authority to initiate and execute the Pillar 4 (Right to do business) component of the UNDP PRO-GOLE project which seeks to enhance the legal awareness and mobility of marginalized/ informal businesses. Under the project legal services outreach shall be extended to small businesses including home based enterprises, small shopkeepers, growers, women entrepreneurs, hawking vendors etc. In addition, small business shall be mobilized to access legal services.

The Need for Commercial Contracts Templates

In an increasingly complex and competitive industry, it is vital that suppliers and purchasers are fully protected against legal and commercial risks. To counter such risks, a viable solution; available as- of the shelf commercial contract templates- will provide the users with first class ready to use support. With obligations properly set out and liabilities accurately defined, the users will be in a far better position to look after their rights and interests and move forward from their marginalized positions to being active players of the economy. The Legal Service Providers can equally take benefit of these templates for their professional and business development.

Disclaimer

The information contained in this template is meant to facilitate the businesses in documenting transactions with reference to employment matters. However, SMEDA, UNDP or any of their employees or representatives accept no responsibility and expressly disclaim any and all liabilities for any and all losses/shortfalls caused by or motivated by recommendations from the information contained within this document. Although SMEDA's ambition is to provide accurate and reliable information; yet, the document is not an alternative to expert legal advice and should ideally be used in conjunction with the same. Any person using this document and or benefiting from the information contained herein shall do so at his/her own risk and costs and be deemed to have accepted this disclaimer.

Information contained in this document may be freely used provided that relevant acknowledgement is accurately quoted with each usage.

Employee Non-Disclosure Agreement

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9. EMPLOYEE NON-DISCLOSURE AGREEMENT

THIS EMPLOYEE NON-DISCLOSURE AGREEMENT (hereinafter referred to as the "Agreement") is made at [insert place] on this ____ (insert date) day of _____ (insert month), 20__ (insert year)

BY AND BETWEEN:

M/s [insert Name], a public/private company incorporated under the Companies Ordinance, 1984, having its registered office at [insert Address] through its [insert Designation], Mr/Mrs/Ms [insert Name];

OR

M/s [insert Name], a partnership concern of Mr/Mrs/Ms [insert Name] and Mr/Mrs/Ms [insert Name], having its place of business at [insert Address] through its Partner, Mr/Mrs/Ms [insert Name];

OR

M/s [insert Name], a sole proprietorship concern of Mr/Mrs/Ms [insert Name], having its place of business at [insert Address] through Mr/Mrs/Ms [insert Name];

(hereinafter referred to as the "Business", which expression shall, wherever the context so provides, include its successors, assigns, nominees and agents)

AND

Mr/Mrs/Ms [insert Name], son/wife/daughter of [insert Name], r/o [insert Address] CNIC # [insert Number] (Hereinafter referred to as the "Employee".)

(The Business and the Employee are hereinafter collectively referred to as the "Parties", and individually as the "Party").

In consideration of employment by Business and disclosure by the Business of confidential and trade secret information, the Employee hereby covenants and agrees as follows:

1. CONFIDENTIALITY

- (1) The Employee acknowledges that in the course of the Employee's employment by the Business, the Employee will be exposed to valuable confidential and trade secret information of the Business. The Employee agrees to treat all such information as confidential, and to take all necessary precautions against the disclosure of such information to third parties during and after the term of this Agreement.
- (2) The Employee acknowledges that the trade secrets of the Business will consist of but will not be necessarily limited to:
 - a) Technical information: Methods, processes, formulae, compositions, systems, techniques, inventions, machines, computer programs and research projects.

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b) Business information: Customer lists, pricing data, sources of supply, financial data and marketing, production, or merchandising systems or plans.

(3) Employee understands that this Agreement does not and will not prevent him/her from working for any other Business subsequent to the termination of his/her employment with the Business as long as the Employee does not use or disclose any such confidential and proprietary information.

2. USE

The Employee shall not use the Business's confidential and trade secret information, except to the extent necessary to provide services or goods requested by the Business.

3. ENFORCEMENT

The Employee agrees that if he/she commits a breach of any of the provisions of this Agreement, the Business shall have the right to enforce this Agreement in any court of law having adequate jurisdiction. The Employee further acknowledges and agrees that any such breach of this Agreement will cause irreparable injury to the Business, and that money damages will not provide an adequate remedy to the Business. In addition, the Business shall have any other rights and remedies as available to it at law, or in equity.

4. TERMINATION

All materials furnished to the Employee by the Business, and all materials prepared by the Employee in connection with the Employee's employment by the Business, including but without limitation the documents, models, source code, designs, flowcharts and listings, along with all the copies made thereof, shall be returned promptly to the Business upon the termination of the Employee's employment by the Business.

5. OWNERSHIP

The Employee agrees that all developments made and works created by the Employee or under the Employee's direction in connection with the Business assignments shall be the sole and complete property of the Business, that any and all copyrights and other proprietary interests therein shall belong to the Business, and that the other provisions of this Agreement shall fully apply to all such developments and works so created by the Employee during the course of its employment with the Business.

6. GOVERNING LAW

This Agreement shall be construed in accordance with the laws of Pakistan.

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7. INDEMNIFICATION

The Employee agrees to pay liquidated damages in the amount of Rs. _____/- (Rupees _____) (insert amount) to the Business for any violation of the covenant not to disclose confidential information in accordance with the terms and conditions of this Agreement.

8. BINDING AGREEMENT

- 1) If any part of these promises is void for any reason, the undersigned accepts that it may be severed without affecting the validity or enforceability of the remaining terms and conditions contained in the Agreement.
- 2) This Agreement shall be binding upon and inure to the benefit of the Parties, their successors, assigns, and personal representatives.

IN WITNESS WHEREOF, the Parties have signed this Agreement, having fully understood the conditions set therein, of their own free will, in the presence of witnesses.

For and on behalf of
The Business

For and on behalf of
The Employee

Witnesses:

1. _____

2. _____

Name: _____

Name: _____

Address: _____

Address: _____
