**Sample Confidentiality Agreement re: Practice Information**

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*The Special Committee encourages, and is happy to hear, your comments about this example form. If you have comments, questions, or suggestions for the Special Committee, please contact us at* [*ISBASuccession@isba.org*](mailto:ISBASuccession@isba.org)*.*

**Confidentiality Agreement**

This agreement is entered into this \_\_ day of \_\_\_\_, 20\_\_, between, \_\_\_\_\_\_\_\_\_\_\_, as the prospective Seller (referred to as "Seller") and \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, as prospective Buyer (referred to as "Buyer"),

WHEREAS:

A. Buyer is a lawyer [law firm with lawyers] licensed to practice law in Illinois and is engaged to practice law.

B. The Buyer has expressed an interest in purchasing the law practice of Seller following evaluation of Seller's practice information.

C. The Buyer has requested disclosure of the Seller’s confidential practice information including financial statements, accounting records, tax returns, client lists and identities and the policies and legal services breakdown, percentage of margins and profits and other business and financial matters related to Seller’s practice and case management data.

THEREFORE THE PARTIES AGREE AS FOLLOWS:

* 1. The Seller agrees to provide such practice information as may be appropriate for Buyer to evaluate the Seller’s practice to the Buyer on the condition that all such practice information shall be maintained as confidential by the Buyer. It is agreed and understood that confidential client file information shall only be disclosed in accordance with the Illinois Rules of Professional Responsibility.
  2. Buyer, on behalf of itself and its duly authorized agents, agrees that all practice and client file information provided to Buyer will be kept confidential and shall not, without prior written consent of Seller, be published, disclosed or otherwise made accessible by Buyer or its authorized Agents, in any manner whatsoever and shall be used by prospective Buyer and its Agents who are also bound by the Confidentiality provisions of this agreement, only in connection with the evaluation for the possible practice sale. It is agreed that in the event Buyer determines Buyer has a potential conflict of interest, with any of Seller’s clients the Buyer will immediately notify Seller and none of such clients’ information will be given to the Buyer.
  3. Each party agrees that without the prior written consent of the other party, they will not disclose to any person or entity (other than the a person expressly authorized hereunder) that Buyer is currently reviewing the practice information, that discussions or negotiations are taking place concerning the practice sale or any of the terms, conditions or other facts with respect to the possible practice sale.
  4. All practice information and all copies thereof, by Buyer except for the analyses or other documents prepared by Buyer or its agents, will be returned to Seller immediately upon Seller’s request without retaining any copies thereof. That portion of the information which consists of Buyers analyses, compilations and other documents prepared by Buyer or its agents may be held by Buyer and shall be kept confidential and subject to the terms of this Agreement, or destroyed at the request of the Seller. Such destruction will be confirmed in writing to Seller, except for one copy for Buyer’s record purposes only.
  5. This Agreement shall not apply to such portions of the practice information that is generally available to the public, other than as a result of a disclosure by prospective Buyer, or available on a non-confidential basis from other sources, or which was known to Buyer on a non-confidential basis prior to disclosure by Seller.
  6. If any provision of this agreement is invalid, illegal or unenforceable, the balance of this Agreement shall remain in full force and effect, and if any provisions is inapplicable to any person or circumstance, it shall nevertheless remain applicable to all other persons and circumstances.
  7. This agreement is nonexclusive and Seller is free to negotiate as to the sale of Seller’s practice with other prospective Buyers.

AGREED AND ACCEPTED:

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| --- | --- |
| Seller:  (Print name) | Buyer:  (Print name) |
| By: | By: |
| Its: (title) | Its: (title) |

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