At the outset of discussions about the potential purchase of a business, the purchaser will typically request that a business owner disclose certain information about the business for the purchaser's consideration in deciding whether or not to make a purchase offer and the terms thereof. However, before a business owner shares information about the business, the business owner should require that the purchaser agree to maintain the confidentiality of such information by signing a confidentiality agreement (also known as a "non-disclosure agreement" or an "NDA").

Although many business owners assume that an NDA is a form contract that does not require close consideration and/or legal advice, there are a number of issues in this context that should be closely reviewed and negotiated to protect the business owner and their business. Further, a business owner should consult with legal counsel about whether certain particularly sensitive information about the business, such as a confidential customer list, should not be disclosed to the purchaser until later in the transaction process.

The attorneys in our Business & Finance Department regularly advise business owners about these and other issues arising in connection with the potential sale of a business. If you are interested in learning more about these services, please contact Paul T. Rushton, our Managing Partner and a member of our Business & Finance Department, via e-mail prushton@rjglaw.com or call Paul at 570-826-5623.