



## ***A Faculty Guide to Non-Disclosure Agreements***

Non-Disclosure Agreements (NDA), also known as Confidentiality Agreements, Proprietary Information Agreements, Secrecy Agreements, etc. are commonly requested when two or more parties wish to enter into initial discussions about specific processes, methods or technology for the purpose of determining the potential for a future relationship. An NDA is a legal contract which defines information that the parties wish to protect from dissemination and outlines restrictions on use. NDAs are valuable to protect the ability to patent an invention, something that can be compromised if a disclosure of the invention becomes public knowledge. If you are sharing new processes or unpublished data, you should protect your rights by having an NDA in place.

### ***➤ Is an NDA the appropriate agreement for my current needs?***

Penn State views the NDA as a tool to allow initial interactions to take place, such as discussions about Penn State's capabilities and research interests or collaborating on proposal submissions. There should be no funded work performed under the scope of an NDA; this is better handled under a research and development or services/testing agreement where there is a clear scope of work defined. Such funding agreements will contain language of their own to handle the exchange of confidential information during the course of the project, therefore a separate NDA is not necessary in most cases. Contact your Research Coordinator or the Office of Sponsored Programs if you need assistance with determining which agreement would be appropriate to use for your current situation.

### ***➤ Is an NDA really necessary?***

It is common for a company to request an NDA as a prerequisite to the first conversation with one of Penn State's researchers. However, a lot of times this request is simply a formality and the NDA may not actually be required or necessary. Sometimes the initial interactions are fundamental or introductory in nature and do not require the disclosure of any true confidential information by either party. Keep in mind the NDA is a legal contract and typically bears a five-year (or longer) commitment of protection on behalf of the PI and Penn State. Whenever possible, the use of an NDA should be discouraged when the goal can be accomplished without the need for disclosing true confidential information.

### ***➤ I've decided that an NDA is both appropriate and necessary. Now what?***

Here are the steps for successfully executing an NDA between PSU and the company. PLEASE ALLOW 10-15 BUSINESS DAYS FOR REVIEW AND NEGOTIATION OF THE NDA. Our office can offer expedited processing if the company is willing to use Penn State's Standard NDA with minimal or no changes. The use of Penn State's Standard NDA should be encouraged whenever possible.

## **How to Request an NDA:**

Fill out the online form at:

<http://www.research.psu.edu/osp/nda-request-form>

## **Contact Information:**

The Office of Sponsored Programs  
110 Technology Center  
University Park, PA 16802  
[nda-osp@psu.edu](mailto:nda-osp@psu.edu)

The Office of Sponsored Programs has contract negotiators who will be happy to assist you with your NDA needs. Please visit the link below to find the negotiator who is assigned to your specific Department/Unit:

<https://www.research.psu.edu/office/osp/negotiators>

1. **Visit the following link to complete the online Request for NDA.**  
<https://www.research.psu.edu/osp/nda-request-form>  
The online Request for NDA gathers information we need to make an assessment of the information exchange and begin negotiations. Be sure to upload any company-provided agreements or other documentation/correspondence that may assist your Negotiator. If no agreement is uploaded with your online request, your Negotiator will send the company PSU's standard NDA template as a starting point.  
  
Note: In the event that a faculty member desires to disclose Penn State Confidential Information to a company which is related to an existing or potential invention disclosure, the Office of Technology Management has requested the opportunity to review the content of such anticipated disclosure to ensure that Penn State has the legal right to do so and that such disclosure will not impact any existing licensing arrangements.
2. **PSU begins negotiations with the company.** The OSP Negotiator will work directly with the company to negotiate the terms and conditions of the NDA based on the information you have provided on the request form. The PI and Research Coordinator will be kept apprised of any issues that may arise during negotiations such as export control issues, financial risks, and non-standard terms.
3. **Signatures obtained and agreement distributed.** Once negotiations are complete, the agreement will be signed at OSP by an authorized official on behalf of PSU. *(Note: faculty and staff are NOT permitted to sign agreements on behalf of the University.)* OSP will then obtain the company's countersignature. When the agreement is fully executed, the PI and Research Coordinator will receive a copy of the fully executed agreement via email, along with an Internal Signoff memo.
4. **PI completes the Internal Signoff.** The PI is required to sign an Internal Signoff memo indicating that he or she has read and agrees to abide by the terms and conditions of the agreement. While it remains the PI's primary responsibility to protect the company's confidential information, sometimes graduate students, technicians or other faculty may need to have access to the confidential information as well. Therefore, the Internal Signoff memo should be signed by ALL personnel who will be in receipt of the company's confidential information. Completed Internal Signoffs should be returned to OSP ([nda-osp@psu.edu](mailto:nda-osp@psu.edu)) within two weeks.
5. **PI continually monitors his/her compliance with obligations.** The PI is expected to ensure that he or she is fulfilling the ongoing requirements of the NDA. Some examples of such obligations may include: maintaining company confidential information for the entire protection period, properly labeling any tangible PSU confidential information, reducing orally or visually disclosed PSU confidential information to writing, the return or destruction/certification of company-provided confidential information, notifying OSP of any identified export controlled information, etc. Please contact your negotiator at OSP if you have any questions or concerns with any terms or conditions of the agreement.

#### Helpful Links:

Office of Sponsored Programs  
<https://www.research.psu.edu/osp>

Office of Technology  
Management  
<https://www.research.psu.edu/otm>

PSU Standard NDA Template  
[https://www.research.psu.edu/sites/default/files/StandardNDA\\_0.pdf](https://www.research.psu.edu/sites/default/files/StandardNDA_0.pdf)