

# BOOKKEEPING AND PAYROLL CONFIDENTIALITY AGREEMENT

This Bookkeeping and Payroll Confidentiality Agreement (the "Agreement") is entered into as of \_\_\_\_\_ (the "Effective Date"), by and between:

**Disclosing Party:** \_\_\_\_\_

**Receiving Party:** \_\_\_\_\_

Collectively referred to herein as the "Parties" or individually as a "Party."

## 1. PURPOSE

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The Disclosing Party has engaged or wishes to engage the Receiving Party to perform bookkeeping, accounting, and/or payroll services. In connection with these services, the Receiving Party will have access to non-public, sensitive, personal, financial, and proprietary information regarding the Disclosing Party, its employees, contractors, and business operations. This Agreement is established to ensure the absolute confidentiality and security of all such information.

## 2. DEFINITION OF CONFIDENTIAL INFORMATION

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For the purposes of this Agreement, "Confidential Information" shall include, but is not limited to:

1. Payroll records, salary structures, bonus structures, benefits information, and tax withholding forms (e.g., W-2, W-4, 1099, I-9).
2. Personal identifying information (PII) of employees, contractors, and clients, including names, addresses, Social Security numbers, bank account numbers, and taxpayer identification numbers.
3. Financial statements, general ledgers, balance sheets, profit and loss statements, bank statements, credit card statements, and accounts payable/receivable records.
4. Business plans, budgets, forecasts, proprietary processes, tax returns, and audit documentation.
5. Any other financial or personnel information marked as confidential or that, by its nature, should reasonably be understood to be confidential.

## 3. OBLIGATIONS OF THE RECEIVING PARTY

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The Receiving Party agrees to:

1. Hold all Confidential Information in the strictest confidence and take all reasonable precautions to prevent unauthorized access, disclosure, or use.
2. Use the Confidential Information solely for the purpose of performing the agreed-upon bookkeeping, payroll, and accounting services.
3. Restrict access to Confidential Information only to those of its employees, agents, or subcontractors who have a legitimate "need to know" and who are bound by confidentiality obligations at least as restrictive as those contained in this Agreement.
4. Not copy, reproduce, or store Confidential Information on any insecure, public, or unauthorized device or cloud storage platform.
5. Implement and maintain industry-standard physical, electronic, and procedural safeguards to secure all physical files and digital databases containing Confidential Information.

## 4. EXCLUSIONS

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Confidential Information does not include information that:

1. Is or becomes publicly known through no breach of this Agreement by the Receiving Party.

2. Was already in the lawful possession of the Receiving Party prior to disclosure.
3. Is rightfully received from a third party without restriction and without breach of any confidentiality obligation.
4. Is independently developed by the Receiving Party without reference to or reliance upon the Disclosing Party's Confidential Information.

## **5. COMPELLED DISCLOSURE**

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If the Receiving Party is legally compelled by law, regulation, or court order to disclose any Confidential Information, the Receiving Party shall, to the extent legally permissible, provide the Disclosing Party with prompt written notice so that the Disclosing Party may seek a protective order or other appropriate remedy.

## **6. TERM AND TERMINATION**

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This Agreement shall commence on the Effective Date and shall remain in effect indefinitely, or until such time as the Disclosing Party releases the Receiving Party from this Agreement in writing. The obligations of confidentiality shall survive the termination of the business relationship between the Parties.

## **7. RETURN OR DESTRUCTION OF INFORMATION**

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Upon termination of the business relationship, or at any time upon the written request of the Disclosing Party, the Receiving Party shall promptly return to the Disclosing Party or, at the Disclosing Party's option, permanently delete or destroy all copies of Confidential Information in its possession, custody, or control, and provide written certification of such destruction.

## **8. REMEDIES**

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The Receiving Party acknowledges that any breach of this Agreement may cause irreparable harm to the Disclosing Party for which monetary damages alone would be inadequate. The Disclosing Party shall be entitled to seek injunctive relief and specific performance, in addition to any other remedies available at law or in equity, without the necessity of posting a bond.

## **9. GOVERNING LAW**

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This Agreement shall be governed by and construed in accordance with the laws of the State of \_\_\_\_\_, without regard to its conflict of law principles.

## **10. ENTIRE AGREEMENT**

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This Agreement constitutes the entire agreement between the Parties regarding the subject matter hereof and supersedes all prior discussions, negotiations, or understandings, whether written or oral.

IN WITNESS WHEREOF, the Parties have executed this Bookkeeping and Payroll Confidentiality Agreement as of the Effective Date written above.

**DISCLOSING PARTY:**

**RECEIVING PARTY:**

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_