

## **Student Internships, Confidentiality and Intellectual Property Rights – Frequently Asked Questions (FAQ’s)**

### **1. Q: What is a Non-Disclosure Agreement?**

**A:** A non-disclosure agreement (often referred to as an “NDA”) prohibits the individual from disclosing information about the employer and its business. It is sometimes also called a confidentiality agreement. A typical NDA is intended to protect the employer’s trade secrets, which are types of non-public information that give businesses a competitive advantage. Examples of trade secrets range from Coca-Cola’s formula to a novel computer software system. Some NDA’s, however, go far beyond the protection of trade secrets and extend to virtually any information you learn during the course of your employment.

### **2. Q: Should I agree to sign an NDA in order to obtain an internship?**

**A:** Some employers will not permit you to work for them unless you agree to sign the NDA. You should read the document carefully and make sure you understand exactly what it is you are agreeing not to disclose. If you don’t understand some of the provisions, you should ask the employer to explain to you what they mean or seek advice from a mentor, family member, friend or attorney. You should not sign something that you do not understand. If some of the provisions are objectionable to you, you can try to cross out the objectionable portions and see if the employer will accept the agreement as modified by you. You can also ask your employer to add additional language to the agreement to clarify provisions that are unclear. Whether it is a good idea to engage in these types of negotiations with a prospective employer about an NDA will be a judgment call that you will have to make based on all the circumstances, including the substance of the NDA, the competitive nature of the internship spot, your desire to obtain the spot and your assessment of the potential employer’s reaction to your negotiation.

### **3. Q: What about Intellectual Property Rights?**

**A:** Intellectual property rights are rights that protect an individual’s creation, such as copyrights, patents, and trademarks. Some employers will request that you agree in writing that all intellectual property, including all inventions or discoveries, papers or other works of authorship, belong to the employer and that the intern waives any ownership rights to any intellectual property. This means that even if you feel that you have contributed substantially to an invention or a publication, you have no right to claim ownership of the intellectual property. This may include giving up potential financial gain. Once again, this is an issue that should be carefully considered before signing any such agreement.

### **4. Q: What if I am the inventor and want to continue to own my invention while sharing it with someone who will put the invention to practical use?**

**A:** If you want to preserve the right to your own invention, you need to have an agreement that reserves that right for you. If you have already signed an agreement waiving those ownership rights before you began the position, as discussed in the previous question, it will be more difficult for you to obtain such an agreement.

**5. Q: What is a Non-Compete Agreement or Covenant not to Compete?**

**A:** A non-compete agreement or covenant not to compete prevents you from working for a competitor of the employer or otherwise competing with the employer for a period of time. Though unusual in the context of an internship, some employers may ask everyone working there, including interns, to sign such an agreement. If you are presented with such an agreement, you need to consider carefully whether you should sign it in light of your future plans for jobs or other internships.

**6. Q: What happens if I sign an NDA or some other agreement and I don't abide by the terms?**

**A:** In such an instance, the employer would be able to bring a court action against you to enforce the agreement. In some instances, money damages could be awarded against you; in other instances a court could issue an order preventing you from violating the agreement. A court could also find that some provisions are not enforceable – in other words, that the employer cannot legally require you to abide by those provisions. In any event, you would need to hire an attorney if a lawsuit were brought or threatened against you.

There can be serious consequences if you do not abide by the terms of any agreement you sign. It is always advisable to ask to see copies of required agreements before you accept an internship offer so you can decide whether you are comfortable with the terms. You should also maintain copies of anything that you sign.

***These FAQ's are intended to provide general guidance only. You should consult an attorney before signing any agreement that affects your rights.***