

NDA first read (free check)

Unedited sample. This is the output exactly as Counsel AI returned it. The document it read was written for testing; it is not a client document.

Workflow	Free check: no account; Counsel AI keeps no copy
Run on	14 October 2026
Classification	RED

Free contract check

Classification: RED **Document type:** Mutual non-disclosure agreement (Delaware-governed)

Risk flags

- **Uncapped indemnity (cl 5):** The Receiving Party must indemnify "against all losses of any kind arising from any breach, without limit." There is no cap, no exclusion of indirect loss, and no carve-outs. For a simple NDA, this exposure could be unbounded, so a lawyer should review it first.
- **Termination undefined; perpetual duty (cl 3, 6):** Clause 6 runs for 24 months "following termination," but no termination right, date or mechanism appears. Clause 3 makes confidentiality continue "in perpetuity," which is unusual for general commercial information. It is unclear when the non-solicit period starts.
- **Delaware law, no forum (cl 7):** Clause 7 selects Delaware law. No jurisdiction or dispute-resolution clause is present. The parties' registered addresses are not stated, though the "Limited" suffix suggests UK entities. I have assumed England & Wales conventions. Enforceability and dispute costs need advice from counsel qualified in both jurisdictions.
- **Broad definition, thin carve-outs (cl 2, 4):** All information disclosed is confidential "whether marked confidential or not." The only exclusion is information that becomes public. There are no carve-outs for prior knowledge, independent development, third-party receipt or legally compelled disclosure. Clause 1 defines the Purpose, but no clause limits use to it.
- **No-hire covenant (cl 6):** The clause bars both soliciting and employing the other party's employees for 24 months. "Employ" makes this a no-hire restriction, which is broader than a standard non-solicit. Its enforceability depends on governing law and reasonableness, so it needs specialist review.

What a full review adds

- A clause-by-clause table of this NDA against a market playbook, with suggested redline wording for clauses 2 to 7.
- Advice on whether the Delaware choice of law and the no-hire covenant will hold for UK-based parties, plus a dispute-forum recommendation.
- Checks for missing standard terms (signature block, date, return or destruction, permitted disclosures, no-warranty), with a Word-exportable redline.

Appendix: the document it read

A seven-clause mutual NDA written for testing.

MUTUAL NON-DISCLOSURE AGREEMENT

between Ridgeway Components Limited and Halden Marsh Engineering Limited

1. Purpose. The parties wish to discuss a possible supply arrangement ("the Purpose").

2. Confidential Information means all information disclosed by either party, whether marked confidential or not.

3. Term. The obligations of confidentiality set out in this clause 3 shall continue in perpetuity.

4. Exclusions. Confidential Information does not include information which is or becomes public other than through breach of this Agreement.

5. Remedies. The Receiving Party shall indemnify the Disclosing Party against all losses of any kind arising from any breach, without limit.

6. Non-solicitation. For twenty-four (24) months following termination, neither party shall solicit or employ any employee of the other party.

7. Governing law. This Agreement is governed by the laws of the State of Delaware.