

FORM OF CONFIDENTIALITY AGREEMENT

Date

Seller's Company  
Street Address  
City, State Zip Code

Attn: Vice-President

Dear Sirs:

We have recently been advised that you are willing to enter into discussions and negotiations to explore the possible sale of Seller's Company (herein referred to as the "Company"). Pursuant to the level of interest in the Company which we have expressed, you are providing us with further information concerning the business of the Company.

You have prepared and furnished us with a variety of background information describing, in general terms, the business of the Company. We understand that such information and any additional materials that the Company provides in connection with our evaluation of whether to make a proposal for the acquisition of the Company will contain confidential and proprietary information about the business of the Company (any such materials, or information contained therein or developed therefrom by us or by you, in either written or verbal form, shall hereinafter be collectively referred to as the "Evaluation Materials"). This letter sets forth our agreement to maintain the confidentiality of the Evaluation Materials.

We acknowledge that the Evaluation Materials are confidential and we agree that we will:

- (a) Use the Evaluation Materials solely for the purpose of determining whether we wish to make a proposal for the acquisition of the Company, and refrain from allowing such information to be used in any way for our own private use or commercial purpose;
- (b) Show the Evaluation Materials to, or discuss them only with select individuals employed by us if necessary to our determination of whether to make a proposal for the acquisition of the Company;

- (c) Ask for approval from the Company before showing the Evaluation Materials to any outside advisor;
- (d) Prior to showing the Evaluation Materials to, or discussing them with, any of the individuals described in paragraphs (b) and (c) above, require that such individuals agree to maintain the confidentiality of the Evaluation Materials;
- (e) Except as required by law, not disclose to any third party, unless such disclosure is made in accordance with paragraphs (b), (c) and (d) above, that the Evaluation Materials have been made available to us or that Company is investigating the possible sale of the Company;
- (f) Not make copies of any of the Evaluation Materials; and
- (g) Return all of the Evaluation Materials to the Company and destroy all notes, reports and other materials prepared by or for us if you or we decide to terminate our evaluation of the Company.

We understand and agree that the Company might be irreparably harmed by violation of this agreement, and that the use of the Evaluation Materials for the business purposes of any party other than the Company could enable such party to compete fairly with the Company. In the event that we shall become aware of any breach of the confidentiality of, or the misappropriation of, any of the Evaluation Materials, we will promptly give notice thereof to the Company. In addition, the Company shall be entitled to injunctive relief, to enforcement by specific performance of this agreement and to damages.

Although we understand that the Company has endeavored to include in the Evaluation Materials only information that is believed to be reliable and relevant for the purpose of our evaluation, we further understand that the Company makes no representation or warranty as to the reliability, accuracy or completeness of the information contained in the Evaluation Materials. We agree that neither the Company nor its respective officers, directors, partners, employees or agents shall have any liability to us or any of our representatives arising from the use of the Evaluation Materials by us or our representatives.

We understand that our agreement to maintain the confidentiality of the Evaluation Materials shall survive any termination of our evaluation of the Company.

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This agreement shall not apply to that information which (i) becomes generally available to the public, without violation of any obligation of confidentiality by you or your representatives, or (ii) becomes available to you on a non-confidential basis, provided that such source is not bound by a confidentiality agreement concerning the Evaluation Materials.

This agreement shall be binding upon us, our successors and assigns and be governed by and construed in accordance with the laws of the Commonwealth of Virginia.

Sincerely yours,

By: \_\_\_\_\_  
Buyer