

**MONARCH BUSINESS CONSULTING, LLC  
881 WESTERN ROAD  
CASTLETON, NY 12033**

Reference # \_\_\_\_\_

*Date:*

*Company:*

*Email:*

Confidentiality Agreement

Dear :

In connection with the evaluation of a possible transaction or other business opportunities (the "Purpose") involving \_\_\_\_\_ and its affiliates (collectively, the "Company"), advised and represented by Monarch Business Consulting, LLC ("Monarch"), Monarch and the Company are prepared to deliver to you, following your execution and delivery to Monarch of this letter agreement, certain confidential and proprietary information of the Company. All information about the Company furnished by Monarch or its or the Company's Representatives (as defined below), whether furnished before or after the date hereof, whether oral or written, and regardless of the manner or form in which it is furnished, is referred to in this letter agreement as "Confidential Information". Confidential Information includes all samples and materials provided by the Company or Monarch as well as all notes, analyses, compilations, studies, forecasts, interpretations, results of analysis or other documents prepared by you or your Representatives which contain, reflect or are based upon, in whole or in part, the information furnished to you or your Representatives pursuant hereto. Confidential Information does not include, however, information which (a) is or becomes generally available to the public other than as a result of a disclosure by you or your Representatives in violation of this letter agreement or other obligation of confidentiality, (b) was available to you on a nonconfidential basis prior to its disclosure by the Company or its Representatives, or Monarch or its Representatives, or (c) becomes available to you on a nonconfidential basis from a person (other than by the Company or its Representatives, or Monarch or its Representatives) who is not prohibited from disclosing such information to you by a legal, contractual or fiduciary obligation to the Company or its Representatives, or Monarch or its Representatives. As used in this letter agreement, the term

“Representative” means, as to any person, such person’s affiliates and its and their officers, directors, officers, agents and employees. Notwithstanding the foregoing, in your case, Representatives shall not include your portfolio companies or any officers, directors or employees thereof. For the avoidance of doubt, the parties hereto acknowledge that (x) certain officers, directors or employees of such portfolio companies may also serve as your Representative in another position or role (a “Dual Representative”) and (y) no such portfolio company will be deemed to have received the Confidential Information solely as a result of such dual role of any Dual Representative, provided that such Dual Representative shall not have disclosed any Confidential Information to such portfolio company or used any Confidential Information for the benefit of such portfolio company. As used in this letter agreement, the term “person” shall be broadly interpreted to include, without limitation, any corporation, company, limited liability company, partnership or other legal or business entity or any individual. As used in this letter agreement, “Law” means any applicable law, regulation (including, without limitation, any rule, regulation or policy statement of any organized securities exchange, market or automated quotation system on which any of your securities are listed or quoted) or valid legal process.

Subject to the immediately succeeding paragraph, unless otherwise agreed to in writing by the Company, you agree (a) except as required by Law, to keep confidential and not to disclose or reveal any Confidential Information to any person other than those of your Representatives (i) who are actively and directly participating in the evaluation of the Confidential Information in connection with the Purpose and (ii) whom you will cause to observe the terms of this letter agreement, (b) not to use Confidential Information for any purpose other than in connection with the evaluation of the Confidential Information in connection with the Purpose, and (c) except as required by Law, not to disclose to any person (other than those of your Representatives who are actively and directly participating in the evaluation of the Confidential Information in connection with the Purpose and whom you will cause to observe the terms of this letter agreement) any information about or related to the Purpose, or the terms or conditions or any other facts relating thereto, including, without limitation, the fact that discussions are taking place with respect thereto or the status thereof, the existence of this letter agreement, or the fact that Confidential Information has been made available to you or your Representatives. You acknowledge that you shall be responsible for any breach of the terms of this letter agreement by you or your Representatives and you agree, at your sole expense, to take all reasonable measures (including but not limited to court proceedings) to restrain your Representatives from prohibited or unauthorized disclosure or use of the Confidential Information.

In the event that you or any of your Representatives are requested pursuant to, or required by, Law to disclose any Confidential Information or any other information concerning the Company or the Purpose, you will provide Monarch and the Company with prompt notice of such request or requirement in order to enable the Company to seek an appropriate protective order or other remedy (and if the Company seeks such an order, you will provide such cooperation as we shall reasonably request), to consult with you with respect to the Company taking steps to resist or narrow the scope of such request or legal process, or to waive compliance, in whole or in part, with the terms of this letter agreement. In the event that such protective order or other remedy is not obtained, or the Company waives compliance, in whole or in part, with the terms of this letter agreement, you or your Representative will disclose only that portion of the Confidential Information that you are advised by counsel is legally required to be disclosed and will use your

best efforts to ensure that all Confidential Information so disclosed will be accorded confidential treatment.

You agree that all Confidential Information is, and will remain, the property of the Company and that you shall not copy or reproduce any Confidential Information without the express written permission of the Company, except for such copies as may be reasonably required in order to fulfill the Purpose. Nothing in this letter agreement shall be understood as granting, expressly or by implication, any rights under patents, technical information, or know-how of the Company or in any intellectual property rights related thereto. Under no circumstances shall you file an application for patent, industrial design, utility model, or equivalent protection, anywhere in the world, which is based upon, uses, references, discloses or was derived (in whole or in part) from Confidential Information (including, without limitation, samples) disclosed to you hereunder.

Upon our written request at any time, you will return to the Company all Confidential Information (including, without limitation, all copies or reproductions thereof in whatever form or medium, including electronic copies) furnished by the Company or its Representatives, or Monarch or its Representatives, and, at the Company's election, either return or destroy (provided that any such return or destruction shall be certified in writing to the Company and Monarch by a duly authorized Representative of yours) all copies or reproductions (in whatever form or medium, including, without limitation, electronic copies) of all other Confidential Information prepared by you or any Representative of yours. Any oral Confidential Information will continue to be subject to the terms of this letter agreement.

You acknowledge that none of the Company or its Representatives makes any express or implied representation or warranty as to the completeness and accuracy of any Confidential Information, and you agree that none of such persons shall have any liability to you or any of your Representatives relating to or arising from your or their use of any Confidential Information or for any errors therein or omissions therefrom. You also agree that you are not entitled to rely on the completeness or accuracy of any Confidential Information and that you shall be entitled to rely solely on such representations and warranties as may be made to you in any definitive agreement relating to the Purpose, subject to the terms and conditions of such agreement.

You agree that without our prior written consent, neither you nor any of your affiliates will for a period of two years from the date hereof directly or indirectly solicit for employment or employ any person who is employed by the Company or any of its subsidiaries as of the date hereof or at any time hereafter and prior to the termination of discussions between the parties with respect to the Purpose; provided, however, that the term "solicit for employment" shall not be deemed to include general solicitations of employment not specifically directed toward our employees.

Unless otherwise expressly agreed to by the Company, all (a) communications regarding any possible transaction, (b) requests for additional information regarding the Company, (c) requests for facility tours or management meetings, and (d) discussions or questions regarding procedures, will be submitted or directed to Monarch. Under no circumstances shall you contact directly (including, but not limited to, communications via email, telephone, or in-person at trade

shows and/or conferences) the Company, its customers, vendors, financing sources, other related parties or any of its employees without authorization from Monarch.

It is understood and agreed that money damages would be an insufficient remedy for any actual or threatened breach of this letter agreement by you or your Representatives and that without prejudice to the rights and remedies otherwise available to the Company, the Company shall be entitled to equitable relief by way of injunction, specific performance or otherwise, without proof of actual damages, if you or any of your Representatives breach or threaten to breach any of the provisions of this letter agreement. In the event of litigation relating to this letter agreement, if a court of competent jurisdiction determines in a final, non-appealable order that this letter agreement has been breached by a party or its Representatives, then the breaching party will reimburse the non-breaching party for its costs and expenses (including, without limitation, reasonable legal fees and expenses) incurred in connection with all such litigation.

It is further understood and agreed that no failure or delay by the Company in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any right, power or privilege hereunder.

This letter agreement shall be governed by and construed in accordance with the laws of the State of New York without regard to principles of conflicts of law. Each party hereby irrevocably and unconditionally consents to submit to the exclusive jurisdiction of the courts of the State of New York and the courts of the United States of America located in the State of New York, for any actions, suits or proceedings arising out of or relating to this letter agreement and the transactions contemplated hereby (and agrees not to commence any action, suit or proceeding relating thereto except in such courts), and further agrees that service of any process, summons, notice or document by United States registered mail to its respective address set forth above shall be effective service of process for any action, suit or proceeding brought against such party in any such court. Each party hereby irrevocably and unconditionally waives any objection to the laying of venue of any action, suit or proceeding arising out of this letter agreement in the courts of the State of New York and the courts of the United States of America located in the State of New York, and hereby further irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such action, suit or proceeding brought in any such court has been brought in an inconvenient forum.

The obligations of the parties under this letter agreement with respect to any Confidential Information shall terminate on the second anniversary of the date of disclosure of such Confidential Information.

Any assignment of this letter agreement by you without the Company's prior written consent shall be void.

If any term or other provision of this letter agreement is invalid, illegal or incapable of being enforced under any Law or public policy, all other terms and provisions of this letter agreement shall nevertheless remain in full force and effect. If any term or provision of this letter agreement is determined to be unenforceable by reason of its extent, duration, scope or otherwise,

then the parties contemplate that the court making such determination shall reduce such extent, duration, scope or other provision and enforce them in their reduced form for all purposes contemplated by this letter agreement.

This letter agreement contains the entire agreement between you, Monarch, and the Company concerning confidentiality of the Confidential Information, and no modification of this letter agreement or waiver of the terms and conditions hereof shall be binding upon you, Monarch, or the Company, unless approved in writing by you, Monarch and the Company.

Notwithstanding that the Company has not executed this Agreement on its own behalf, you acknowledge that it is your intention that the Company shall be a beneficiary of your and your Representatives' covenants, obligations, and performance hereunder and shall be entitled to directly enforce such covenants, obligations, and performance in its own name and on its own behalf as if a signatory of this Agreement and an express party hereto.

This letter agreement may be executed in multiple counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument. This letter agreement may be executed through the exchange of facsimile or pdf e-mail signature pages, which shall have the same legal effect as manual signatures.

[signatures on next page]

Please confirm your agreement with the foregoing by signing and returning to the undersigned the duplicate copy of this letter enclosed herewith.

MONARCH BUSINESS CONSULTING, LLC,  
as advisor to, and on behalf of, Company

By: David H. Waterman  
Name:  
Title: Managing Director

Accepted and Agreed as of  
the date first written above:

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