

## CONFIDENTIALITY AGREEMENT

This Confidentiality Agreement is made by and between **Project Remington** (together with its subsidiaries, affiliates, employees, agents, advisors and representatives, "Company") and the undersigned (together with its subsidiaries, affiliates, employees, agents, advisors and representatives, the "Recipient").

1. Purpose. Bardi Co. ("BCo") is acting as exclusive financial advisor for the Company in connection with a transaction involving an investment, sale of assets, and/or change of control (a "Transaction"), and the Company wishes to have BCo furnish certain proprietary information concerning the Company to Recipient for the sole purpose of facilitating Recipient's evaluation of a potential Transaction (the "Purpose").
2. Confidential Information. For purposes of this Agreement, the term "Confidential Information" means any and all information disclosed to Recipient by or on behalf of the Company, orally, in writing or in any other medium, however documented (or not documented) and whether or not marked "Confidential." "Confidential Information" includes, without limitation, information regarding the Company's actual or proposed businesses; historical and projected financial information, budgets, services, products, trade secrets, techniques, processes, operations, formulae, product specifications, know-how, processes, compositions, inventions, discoveries, designs, sketches, drawings, samples, formats, marketing and manufacturing plans and materials, analyses, strategies, forecasts, research and development; concepts, ideas, names, addresses and any other characteristics, identifying information or aspects of Company's existing or potential customers, employees, vendors or suppliers; or any information derived, summarized or extracted from any of the foregoing. "Confidential Information" shall not include any information that: (a) is or becomes available to the public other than as a consequence of a breach by any party hereto of any fiduciary duty or obligation of confidentiality, (b) Recipient received from a source not bound by obligations of confidentiality, or (c) Recipient developed independently without reliance upon the Confidential Information.
3. Disclosure and Use Restrictions. Recipient hereby agrees to hold in strictest confidence and trust all Confidential Information and agrees not to disclose or otherwise provide or transfer, directly or indirectly, any Confidential Information or anything related to the Confidential Information to third parties (including, but not limited to Recipient's affiliates, subsidiaries and business partners) without the prior written consent of the Company. Recipient may disclose Confidential Information only to its directors and employees who are advised of the terms of this Agreement and then only to the extent necessary to effect the Purpose. Recipient further agrees that it may use the Confidential Information only in connection with Purpose. Recipient agrees to require its representatives who obtain Confidential Information to comply with this Agreement and further agrees to be responsible for any breach of this Agreement by such persons. Recipient hereby agrees that, in the event it becomes subject to an order issued by any court or other governmental entity requiring Recipient to turn over any Confidential Information, it shall immediately give the Company written notice of such court order and shall cooperate fully with Company's efforts to protect the confidentiality of such information.
4. Return of Confidential Information. If so requested by the Company or BCo, Recipient agrees to promptly return to Company or BCo all written Confidential Information received from or on behalf of Company, including any and all copies or duplicates of such Confidential Information, and all summaries or extracts thereof in any medium prepared by or on behalf of Recipient. Recipient further agrees to supply Company or BCo a written confirmation of a responsible executive officer of Recipient that it has fulfilled its obligations under this Section 4.
5. Non-Disclosure of Business Relationship. In addition to the understandings set forth herein with respect to the Confidential Information, Recipient agrees that it will keep strictly confidential and will not, without the prior written consent of the Company, disclose to any third party, the existence or any aspect of any ongoing negotiations, discussions or business dealings between Company and Recipient; provided, however, that Recipient may make a public announcement of such agreement (the form and substance of which shall have been approved by the Company, which approval shall not to be unreasonably withheld) at such time as the parties execute a definitive agreement or at such earlier time as may be required under applicable securities laws.
6. Non-Solicitation of Employees or Customers/Clients. Recipient agrees that, for a period of two (2) years after the date hereof, it will not directly or indirectly solicit to hire, as an employee or consultant, any persons employed by the Company with whom it has contact as part of its evaluation of a Transaction or whose identity was derived from the Confidential Information; provided, however, that nothing contained herein shall be construed to prohibit Recipient from (a) placing general advertisements for employment, (b) hiring employees or former employees of the Company who contact Recipient of their own accord, or (c) recruiting through employment agencies (so long as Recipient does not direct such agencies to solicit the Company's employees). Recipient further agrees that, for a period of two (2) years following the date hereof, it will not use Confidential Information to directly or indirectly solicit any customer or client of Company to (a) cease doing business with the Company or reduce the volume of business it does with the Company, or (b) become a customer or client of any existing or proposed business providing products or services substantially similar to those provided by the Company.
7. Communication Only Through BCo. Recipient agrees not to contact Company or any of its customers regarding the proposed Transaction and to maintain all communications with the Company through BCo. Any agreement for Company's purchase shall recognize BCo's right to be paid.
8. No Assurances or Obligations. Although the Company believes the Confidential Information is accurate, neither it nor BCo makes any representations or warranties as to its accuracy, completeness or fairness, and neither shall have any liability for any express or implied

representations or omissions in the Confidential Information. Nothing contained in this Agreement shall be deemed to create a business relationship between the parties or obligate either party to enter into further discussions and/or agreements with the other.

9. Irreparable Harm. Recipient acknowledges that the Confidential Information and all rights thereto belong to the Company and nothing contained in this Agreement shall be construed as transferring any right or license to the Confidential Information to Recipient. Recipient further understands that, in the event it fails to comply with this Agreement, the Company may suffer irreparable harm for which it may not be adequately compensated by monetary damages alone. Recipient agrees that, in the event of any breach or threatened breach of this Agreement, the Company will be entitled to injunctive and/or other preliminary or equitable relief, in addition to any other remedies available at law.

10. Jurisdiction; Service of Process. Any action or proceeding seeking to enforce any provision of, or based on any right arising out of, this Agreement may be brought in the courts of the state of California, and each of the parties consents to the jurisdiction of such courts (and of the appropriate appellate courts) in any such action or proceeding and waives any objection to venue in connection therewith. Process in any such action or proceeding may be served on any party anywhere. Recipient hereby waives any requirement that Company prove the economic value of any Confidential Information or post a bond or other security in connection with the enforcement of its rights hereunder.

11. Miscellaneous. The validity, interpretation, construction and enforcement of this agreement shall be governed by the laws of the jurisdiction of the state of California. This agreement contains the entire understanding between the parties relating to this subject matter and supersedes all oral or written agreements between them with respect thereto, and no previous written or oral understandings have been or shall be relied upon. The failure of any party in any one or more instances to insist upon strict performance of any terms or provisions of this Agreement, or to exercise any option herein conferred, shall not be construed as a waiver or relinquishment to any extent of the right to assert or rely upon any such terms, provisions or options on any future occasion. To the extent any provision of this agreement may be deemed to be unenforceable, such unenforceability shall not affect any other provision hereof. This Agreement shall be binding upon the successors and assigns of the parties hereto, but neither of the parties hereto shall assign this Agreement without prior written consent of the other party. No amendment, modification or waiver of any provision of this agreement will be effective unless and until it is reduced to writing and signed by all parties.

IN WITNESS WHEREOF, the parties have caused this Confidentiality Agreement to be executed on \_\_\_\_\_, \_\_\_\_.

Client: **Project Remington**  
By: BCo, as Exclusive Representative

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

Accepted and agreed to as of date above (please write legibly):

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

Signature: \_\_\_\_\_ Complete Address: \_\_\_\_\_

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

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

Facsimile: \_\_\_\_\_ Telephone: \_\_\_\_\_

E-Mail Address: \_\_\_\_\_