



BUYER CONFIDENTIALITY AGREEMENT

The undersigned (the "Buyer") understands and acknowledges that BAY PACIFIC GROUP, INC. (BPG) has a valid agreement with the Seller of the Company and/or business described below (the "Company") whereby BPG has been retained, for an agreed upon marketing fee, to represent Seller in the sale of the Company. The undersigned requests information relating to the following Company:

Buyer understands and acknowledges that BPG is acting as the agent of the Seller and BPG's primary duty is to represent the interests of the Seller. Buyer understands that information provided is for the sole purpose of entering into discussions with the Seller ("Seller") of said Company for possible purchase by the undersigned of all or part of the stock or assets of the Company. As used herein, the term Buyer ("Buyer") applies to the undersigned and any partnership, corporation, individual, or other entity with which the undersigned is affiliated. The undersigned agrees as follows:

- 1) **NON-DISCLOSURE OF INFORMATION:** The undersigned acknowledges that Seller desires to maintain confidentiality of the information disclosed. The undersigned agrees with Bay Pacific Group, Inc. (BPG) not to disclose or permit access to any Confidential Information without the prior written consent of Seller, to anyone other than Buyer's employees, legal counsel, accountants, lenders or other agents or advisors to whom disclosure or access is necessary for Buyer to evaluate the Company. Disclosure of Confidential Information shall be made to these parties only in connection with the potential acquisition of the Company, and then only if these parties understand and agree to maintain the confidentiality of such Confidential Information. The undersigned shall be responsible for any breach of this Agreement by these parties, and neither Buyer nor these parties shall use or permit the use of Confidential Information in any manner whatsoever, except as may be required for Buyer to evaluate the Company or as may be required by legal process. If the Buyer does not purchase the Company, Buyer, at the close of negotiations, will destroy or return to Bay Pacific Group, Inc. all information provided to Buyer and will not retain any copy, reproduction, or record thereof.
- 2) **DEFINITION OF "CONFIDENTIAL INFORMATION":** The term "Confidential Information" shall mean all information including the fact that the Company is for sale, all financial, production, marketing and pricing information, business methods, business manuals, manufacturing procedures, correspondence, processes, data, contracts, customer lists, employee lists and any other information whether written, oral or otherwise made known to Buyer: (a) from any inspection, examination, or other review of the books, records, assets, liabilities, processes, or production methods of Seller: (b) from communications with Seller or its directors, officers, employees, agents, suppliers, customers, or representatives: (c) during visits to Seller's premises, or (d) through disclosure or discovery in any other manner. However, Confidential Information does not include any information which is readily available and known to the public.
- 3) **DISCLAIMER OF BAY PACIFIC GROUP, INC. (BPG) LIABILITY AND BUYER'S RESPONSIBILITY:** When business intermediaries take a Company to market they receive information about the Company from the seller, usually including but not limited to tax returns, financial statements, equipment lists and facilities leases. Based on information provided by the seller, intermediaries often prepare a summary description of the business which may include a cash flow projection, an adjusted income statement, and other financial statements. Buyer understands that Bay Pacific Group, Inc. (BPG) does not audit or verify any information given to BPG or make any warranty or representation as to its accuracy or completeness, nor in any way guarantee future business performance. Buyer is solely responsible to examine and investigate the Company, its assets, liabilities, financial statements, tax returns, and any other facts which might influence Buyer's decision to purchase or the price Buyer is willing to pay. Any decision by Buyer to purchase the Business shall be based solely on Buyer's own investigation and that of Buyer's legal, tax and other advisors. **Bay Pacific Group, Inc. (BPG) urges Buyer to obtain independent legal and tax counsel.**



BUYER CONFIDENTIALITY AGREEMENT (continued)

- 4) **NON-CIRCUMVENTION AGREEMENT:** The Seller has entered into an agreement providing that Seller shall pay a fee to Bay Pacific Group, Inc. (BPG) if during the term of that agreement or up to twenty four months thereafter, the Company is transferred to a buyer introduced by Bay Pacific Group, Inc. (BPG) or a cooperating intermediary. Buyer shall conduct all inquiries into and discussions about the Company solely through Bay Pacific Group, Inc. (BPG) and shall not directly contact the Seller or the Seller's representatives. Should Buyer purchase all or part of the stock or assets of Company, acquire any interest in, or become affiliated in any capacity with the Company without Bay Pacific Group's participation, or in any way interfere with Bay Pacific Group's right to a fee, Buyer shall be liable to Bay Pacific Group (BPG) or cooperating intermediary for such a fee and any other damages including reasonable attorney's fees and costs.
- 5) **FURTHER TERMS:** Neither Buyer nor Buyer's agents will contact Seller's employees, customers, landlords or suppliers without Seller's consent. For three years, Buyer shall not directly or indirectly solicit for employment any employees of Seller. Seller is specifically intended to be a beneficiary of the duties and obligations of this Agreement and may prosecute any action at law or in equity necessary to enforce its terms and conditions as though a party hereto. Seller may assign this Agreement to any new ownership of the Company. This Agreement can only be modified in writing, signed by both Bay Pacific Group, Inc. (BPG) and Buyer. Waiver of any breach of this Agreement shall not be a waiver of any subsequent breach. This Agreement supercedes all prior understandings or agreements between the parties with respect to its subject matter. This Agreement shall be construed under and governed by the laws of the State of California. If Buyer is a corporation, partnership, or other such entity, the undersigned executes this Agreement on behalf of Buyer and warrants that he/she is duly authorized to do so. **Buyer agrees to provide, upon request by Bay Pacific Group, Inc. (BPG) or Seller, financial statements, references and other pertinent information evidencing such financial sufficiency to complete a transaction of this magnitude.**
Buyer acknowledges receipt of a fully completed copy of this Agreement.

Date _____

Signature _____ Name (Please Print) _____

Company _____ Title _____

Address _____ Business Telephone _____ Fax _____

City, State, Zip _____ Home Phone _____ E-Mail _____

Bay Pacific Group, Inc. (BPG) Representative _____ Date _____