

CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT

THIS CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT (this "Agreement") is entered into on _____ (date), by and between Professional Insurance Associates, Inc., a California corporation ("Disclosing Party") and _____ ("Receiving Party").

WHEREAS, Disclosing Party possesses certain confidential proprietary information; and

WHEREAS, in connection with the pursuit, evaluation and/or feasibility of a business relationship, and/or the consummation of a transaction between Receiving Party and Disclosing Party (collectively, the "Business Purposes"), confidential proprietary information of Disclosing Party may become available to Receiving Party.

WHEREAS, Disclosing Party desires to prevent the unauthorized use and disclosure of its confidential proprietary information.

NOW THEREFORE, in consideration of these premises and for other good and valuable consideration, Receipt of which is hereby acknowledged, the parties agree as follows:

- I. "Confidential Information". For purposes of this Agreement, Confidential Information shall mean all strategic and development plans, financial condition, business plans, co-developer identities, data, business records, customer lists, project records, market reports, employee lists and business manuals, policies and procedures, information relating to processes, technologies or theory and all other information which may be disclosed by Disclosing Party or to which Receiving Party may be provided access by Disclosing Party or others in accordance with this Agreement, or which is generated as a result of or in connection with the Business Purposes, which is not generally available to the public.
- II. Nondisclosure Obligations. Receiving Party promises and agrees to receive and hold the Confidential Information in confidence. Without limiting the generality of the foregoing, Receiving Party further promises and agrees:
 - A. to protect and safeguard the Confidential Information against unauthorized use, publication or disclosure;
 - B. not to use any of the Confidential Information except for the Business Purposes.
 - C. not to, directly or indirectly, in any way, reveal, report, publish, disclose, transfer or otherwise use any of the Confidential Information except as specifically authorized by Disclosing Party in accordance with this Confidentiality Agreement.
 - D. not to use any Confidential Information to unfairly compete or obtain unfair advantage vis a vis Disclosing Party in any commercial activity which may be comparable to the commercial activity contemplated by the parties in connection with the Business Purposes.
 - E. to restrict access to the Confidential Information to those of its officers, directors, and employees who clearly need such access to carry out the Business Purposes.
 - F. to advise each of the persons to whom it provides access to any of the Confidential Information, that such persons are strictly prohibited from making any use, publishing or otherwise disclosing to others, or permitting others to use for their benefit or to the detriment of Disclosing Party, any of the Confidential Information, and, upon Request of Disclosing Party, to provide Disclosing Party with a copy of a written agreement to that effect signed by such persons.

G. to comply with any other reasonable security measures requested in writing by Disclosing Party.

III. Exceptions. The confidentiality obligations hereunder shall not apply to Confidential Information which:

- A. is, or later becomes, public knowledge other than by breach of the provisions of this Agreement; or
- B. is in the possession of Receiving Party with the full right to disclose prior to its receipt from Disclosing Party, as evidenced by written records; or
- C. is independently received by Receiving Party from a third party, with no restrictions on disclosure.

IV. Return of Confidential Information. Receiving Party agrees, upon termination of the Business Purposes or upon the written request of Disclosing Party, whichever is earlier, to promptly deliver to Disclosing Party all records, notes, and other written, printed, or tangible materials in the possession of Receiving Party, embodying or pertaining to the Confidential Information.

V. No Right to Confidential Information.

A. Receiving Party hereby agrees and acknowledges that no license, either express or implied, is hereby granted to Receiving Party by Disclosing Party to use any of the Confidential Information.

B. Receiving Party further agrees that all inventions, improvements, copyrightable works and designs relating to machines, methods, compositions, or products of Disclosing Party directly resulting from or relating to the Confidential Information and the right to market, use, license and franchise the Confidential Information or the ideas, concepts, methods or practices embodied therein shall be the exclusive property of Disclosing Party, and Receiving Party has no right or title thereto.

VI. No Solicitation of Employees. Receiving Party agrees that it will not, for a period of five (5) years from the date of this Agreement, initiate contact with Disclosing Party's employees in order to solicit, entice or induce any employee of Disclosing Party to terminate an employment relationship with Disclosing Party to accept employment with Receiving Party.

VII. Losses. Receiving Party agrees to indemnify Disclosing Party against any and all losses, damages, claims, or expenses whatsoever incurred or suffered by Disclosing Party as a result of Receiving Party's breach of this Agreement.

VIII. Term and Termination. This Agreement shall commence on the date first written above. Receiving Party's right to use the Confidential Information in connection with the Business Purposes shall continue in effect until twenty (20) years from the date of the execution of this Agreement, or until Disclosing Party provides Receiving Party with written notice of termination of such right, whichever is earlier. Notwithstanding the foregoing, Receiving Party's obligations with respect to the Confidential Information hereunder shall continue in full force and effect until further notice from Disclosing Party.

IX. Remedies. Receiving Party understands and acknowledges that any disclosure or misappropriation of any of the Confidential Information in violation of this Agreement may cause Disclosing Party irreparable harm, the amount of which may be difficult to ascertain and, therefore, agrees that Disclosing Party shall have the right to apply to a court of competent jurisdiction for an order restraining any such further disclosure or misappropriation and for such

other relief as Disclosing Party shall deem appropriate. Such right of Disclosing Party shall be in addition to Remedies otherwise available to the Disclosing Party at law or in equity.

X. Successors and Assigns. Receiving Party shall have no right to assign its rights under this Agreement, whether expressly or by operation of law, without the written consent of Disclosing Party. This Agreement and Receiving Party's obligations hereunder shall be binding on Representatives, permitted assigns, and successors of Receiving Party and shall inure to the benefit of Representatives, assigns and successors of Disclosing Party.

XI. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

XII. Attorneys' Fees. If any action at law or in equity is brought to enforce or interpret the provisions of this Agreement, the prevailing party in such action shall be entitled to reasonable attorneys' fees.

XIII. Entire Agreement This Agreement constitutes the sole understanding of the parties about this subject matter and may not be amended or modified except in writing signed by each of the parties to the Agreement.

IN WITNESS WHEREOF the parties hereto or authorized representatives thereof have duly executed this Agreement as of the date stated herein above.

Type or Print Receiving Party's Name

By: _____

Sign _____ Date _____

Type or Print Receiving Party's Name

By: _____

Sign _____ Date _____

Type or Print Name of Authorized Signatory for Receiving Party

Title: _____

Sign _____
