

# BUSINESS SALE NON-DISCLOSURE AGREEMENT

1. **THE PARTIES.** This Business Sale Non-Disclosure Agreement, hereinafter known as the "Agreement," created this \_\_\_\_\_, is by and between \_\_\_\_\_, hereinafter known as the "Recipient," and \_\_\_\_\_, hereinafter known as the "Business Entity," and collectively known as the "Parties."

WHEREAS, this Agreement is created for the purpose of preventing the unauthorized disclosure of the confidential and proprietary information (the "Confidential Information"). The Parties agree as follows:

2. **OBLIGATIONS.** The Recipient recognizes and acknowledges the competitive value and confidential nature of internal, non-public, financial, and client information now and hereafter furnished or obtained by the Business Entity or representatives, as well as the damage which could result to the Business Entity if any of this information is disclosed to any third party.
3. **PERMITTED USE.** The Recipient hereby agrees that any and all confidential or proprietary information will be used solely for the possible acquisition of the Business Entity, and that the Recipient or its directors, officers, and employees will not disclose to any third party any of the material now or hereafter received or provided; however, that any such information may be disclosed to the Recipient's accountants, attorneys and other confidential advisers who "need to know" such information for assisting in the possible acquisition and furthermore will be advised by the Recipient of the confidential nature of such information.
4. **AUTHORIZATION.** In addition, unless there is the written consent of the Business Entity, the Recipient will not, and nor will their representatives or advisers, disclose to any third party the fact that discussions or negotiations are taking place concerning the possible acquisition of the Business Entity, including the status thereof, except as the Recipient may be required by law or in any shareholder agreement. Furthermore, no disclosure or information will be sought from any person or the staff of the Business Entity without its prior authorization.
5. **RETURN OF MATERIALS.** In the event that the Recipient does not proceed with an offer or the acquisition of the Business Entity, within a reasonable time, the Recipient shall promptly return to the Business Entity all information and materials containing or reflecting the information of the Business Entity and will not retain any copies, extracts or other reproductions of such information. This includes, but is not limited to, all documents, memoranda, notes, and other writings prepared by the Recipient and their advisers based on the information and shall also be returned to the Business Entity unless the Business Entity agrees that they may be retained by the Recipient, in which case they shall be kept confidential and not disclosed or given to any third party for any purpose.

- 6. **NON-USE.** Furthermore, in the event that the Recipient does not proceed with an offer or the acquisition of the Business Entity, the Recipient shall not use any of the non-public information now or hereafter received or obtained from any vendor of the Business Entity (or any related entity) with respect to any of the financial affairs of the Business Entity in furtherance of the Recipient's own business (except in negotiations of this transaction), or the business of anyone else, whether or not in competition with the Business Entity, or for any other purpose whatsoever, with the Recipient further agreeing to not solicit or entice away from the business of the Business Entity, or any related entity or person who was an employee of the Business Entity, including any related entity at any time during the period during which the Recipient receives confidential information for a period of \_\_\_\_\_ from the date of this Agreement.
  
- 7. **TERMS.** All confidential and proprietary information furnished to the Recipient by the Business Entity after the date hereof shall be subject to the terms of this Agreement.
  
- 8. **HEADINGS.** The headings in this Agreement are for reference purposes only and shall not limit or otherwise affect the meaning of the provisions.
  
- 9. **GOVERNING LAW.** The provisions of this Agreement shall be binding, including but not limited to, any subsidiary and/or an affiliated company of the Recipient, and shall comply with the provisions of this Agreement as if they were bound by the same provisions. This Agreement shall be governed and construed in accordance with the laws of the State of \_\_\_\_\_ and the Recipient shall submit to the jurisdiction of the courts exercising jurisdiction in such state.

The Recipient acknowledges that by signing this Agreement to hold all matters strictly confidential and abide by all the terms and conditions of this Agreement.

**Recipient's Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Print Name:** \_\_\_\_\_