

**K-HILL, INC. CONFIDENTIAL  
MUTUAL NON-DISCLOSURE AGREEMENT**

This Agreement is made on \_\_\_\_\_ (the "Effective Date") between K-Hill, Inc., 3104 Bewley, Ft. Worth, Texas 76117, and \_\_\_\_\_ address \_\_\_\_\_.

1. Definition of Confidential Information. "Confidential Information" means any information disclosed between the parties that is designated in writing as confidential, or, if given orally, is identified within ten (10) days of disclosure as being confidential. Confidential Information does not include information that: (a) the receiving party independently develops without reference to Confidential Information; (b) the receiving party independently receives on a nonconfidential and authorized basis from a source other than the disclosing party; or (c) becomes public knowledge through no fault of the receiving party. The receiving party will have the burden of proving that any given exception applies in a particular case.

2. Use and Nondisclosure of Confidential Information. The receiving party will use Confidential Information only to evaluate and implement a potential business transaction between the parties (the "Transaction") and will not directly or indirectly disclose Confidential Information to any other party. The receiving party will provide such Confidential Information only to its employees and independent contractors whose primary business is out-sourced services and are not competitors of disclosing party, who need it in connection with the Transaction and are bound by agreements requiring that they keep it confidential. The receiving party will take all reasonable measures to protect the confidentiality of the Confidential Information, promptly notify the disclosing party of any unauthorized use or disclosure of Confidential Information, and assist the disclosing party in remedying any unauthorized use or disclosure.

3. Return of Information. The receiving party will return all Confidential Information (including any copies or works derived from Confidential Information) upon the earlier of the disclosing party's request or the end of any contemplation or performance of the Transaction.

4. Term / Survival. This Agreement will apply to Confidential Information exchanged for three (3) years from the Effective Date, and obligations of confidentiality will terminate five (5) years from the termination of this Agreement, except that when Confidential Information includes source code, the Agreement will remain in effect as to such code until the code enters the public domain through no fault of the receiving party.

5. No Rights Granted. Nothing in this Agreement shall be construed as granting a receiving party any rights under any patent, copyright or other intellectual property right of the disclosing party, nor shall this Agreement grant a receiving party any rights in or to the disclosing party's Confidential Information other than the limited right to review such Confidential Information solely in connection with the Transaction.

6. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the United States and the State of Texas, without regard to its conflict-of-law provisions.

7. Miscellaneous. Neither party may assign this Agreement, whether by operation of law or otherwise, without the other party's written consent, which will not be unreasonably withheld. The receiving party will give prompt notice of any legal requirement that it disclose Confidential Information, and will disclose it only to the extent required by law. Failure to enforce any term of this Agreement will not waive any rights hereunder. Any violation of this Agreement may cause irreparable injury, and either party may thus obtain injunctive relief against the breach or threatened breach of this Agreement without proving actual damages.

This Agreement constitutes the entire agreement between the parties regarding Confidential Information and supersedes all prior agreements. All modifications to this Agreement must be in writing and signed by both parties. The parties may execute this Agreement in two or more counterparts (which may be delivered by facsimile), each of which will be deemed an original and all of which together shall constitute a single agreement.

By: K-Hill, Inc \_\_\_\_\_

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

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

Date: \_\_\_\_\_

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

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

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

Date: \_\_\_\_\_

