

## NON-DISCLOSURE AGREEMENT

THIS AGREEMENT (the "Agreement") is made and entered into as of this \_\_\_\_ of \_\_\_\_, 2012, by and between Gryphex, LLC (GRYPHEX") and \_\_\_\_\_, (hereinafter referred to as "DISCLOSURE PARTY"); each of GRYPHEX and DISCLOSURE PARTY are sometimes hereinafter referred to as a "Company" or collectively as the "Companies", and in each case include any and all subsidiaries and affiliates of GRYPHEX and DISCLOSURE PARTY, as the case may be, regardless of the legal form of the entity, including corporations, partnerships, individuals, trusts, or any other type of entity.

WHEREAS, the Companies have expressed an interest in entering into a possible business transaction with each other (the "Proposed Transaction"). In connection with such Proposed Transaction, and with the Companies' consideration and evaluation of the proposed terms of the Proposed Transaction, the Companies anticipate sharing Communications (as defined below) and Confidential Information (as defined below) with each other; and

WHEREAS, the Companies acknowledge the importance to each other of the confidentiality of the Communications and Confidential Information.

WHEREAS, the Companies acknowledge the importance of maintaining confidentiality of information to ensure the security and safety of the community.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the receipt, adequacy and sufficiency of which are hereby acknowledged, DISCLOSURE PARTY and ASL agree as follows:

1. For purposes of, and as used in this Agreement, the following words and phrases shall have the meanings set forth below:

(a) "Communications" shall mean all contacts and discussions, direct or indirect, written or oral, between or among the Companies or any of their shareholders, directors, officers, former officers, employees, agents and representatives (the persons to whom disclosure is permissible being collectively called "Representatives") concerning any and all aspects of Confidential Information.

(b) "Confidential Information" shall mean all confidential, secret and proprietary information of or regarding a Company or its affiliates or partners (i) that is valuable to such Company because it is not known or discernable by others, actually or potentially and (ii) that is the subject of efforts that are reasonable under the circumstances to maintain its secrecy or confidentiality, including, but not limited to, any trade secrets, ideas, concepts, know-how, techniques, designs, specifications, drawings, photographs, blueprints, diagrams, flow charts, data, computer programs, costs, prices, vendor lists, customer lists, marketing, business or strategic plans and strategies, goals, projections, sales figures, revenue, profits, and other technical, financial or business information. Such Confidential Information shall be deemed confidential and proprietary and shall be subject to restricted use and limited distribution as provided herein whether or not it is marked or designated "confidential" or "proprietary." Confidential Information does not include information which:

(i) is or becomes generally available to the public other than as a result of a disclosure by the Receiving Company or its representatives;

(ii) becomes available to the Receiving Company on a non-confidential basis from a source other than the Disclosing Company or its representatives, provided that such source is not bound by a confidentiality agreement with, or a duty of confidentiality to, the Company with respect to which the Confidential Information relates or its representatives; or

(iii) is independently developed by the Receiving Company without reference to the Confidential Information of the Disclosing Party.

(c) "Disclosing Company" shall mean any and each Company that has disclosed Confidential Information relating to it, its partners or affiliates, to any other Company, whether through Communications or by other means.

(d) "Receiving Company" shall mean any and each Company that has received Confidential Information of or concerning a Disclosing Company, its partners or affiliates, whether through Communications or other means.

2. With respect to such Confidential Information and Communications provided by a Company, its partners or its affiliates or representatives, to the other or obtained by observation or inspection of such other Company's, partner's or its affiliate's activities or operations in connection with discussions regarding the Proposed Transaction, the Receiving Company agrees:

(a) To use any of the Confidential Information for the exclusive purpose of evaluating the Proposed Transaction and not for any other purpose, except as may otherwise be mutually agreed in writing in advance of any such other use;

(b) To hold such Confidential Information and Communications in confidence and protect them in accordance with at least the same degree of care with which it protects its own Confidential Information and Communications of like importance, but in no event with less than reasonable care, provided, however, that

(i) any of such information may be disclosed to directors, shareholders, officers and other representatives or advisors who need to know such information for the purpose of evaluating the Proposed Transaction, it being understood that any person given access to such information shall be required to maintain the confidentiality thereof, and otherwise comply with the provisions of this Agreement, and that the Receiving Company shall be responsible for ensuring compliance with this provision, and

(ii) any disclosure of such information may be made to any other party upon written consent of the Disclosing Company.

(c) Not to disclose to any person, except for officers, directors, employees and shareholders who have a need to know such information, counselors, agents and representatives, either the fact that discussions or negotiations are taking place regarding a possible Proposed Transaction or any of the terms, conditions, or other facts with respect to any such Proposed Transaction, including the status thereof. The term "person" as used herein shall be broadly interpreted to include without limitation any corporation, company, partnership, association or other entity, or individual, or any governmental instrumentality or any official or employee thereof, including suppliers and customers;

(d) To promptly notify the Disclosing Company in the event the Receiving Company is requested or compelled in a judicial, administrative, or governmental proceeding (by oral questions, interrogatories, requests for information or documents subpoena, Civil Investigative Demand, or similar process) to disclose any of the Confidential Information supplied by the Disclosing Company so that Disclosing Company may seek an appropriate protective order and/or waive the Receiving Company's compliance with the provisions of this Agreement. It is further agreed that if, in the absence of a protective order or the receipt of a waiver hereunder, the Receiving Company is nonetheless, in the written opinion of counsel reasonably satisfactory to the Disclosing Company, compelled to disclose such information to any tribunal or else to stand liable for contempt or to suffer other censure or penalty, the Receiving Company may disclose such information to such tribunal without liability under this Agreement;

(e) That the Disclosing Company makes no representation or warranty, express or implied, as to the accuracy or completeness of the information provided, and neither the Disclosing Company, nor its representatives will have any liability to the Receiving Company or any other person resulting from the Receiving Company's use of the information. Only those representations or warranties that are made in a definitive transaction agreement when, as, and if it is executed, and subject to any limitations and restrictions specified therein, will have any legal effect;

(f) That in the event no Proposed Transaction is effected after disclosure of Confidential Information, the Receiving Company will promptly deliver or destroy any such information which is in writing to the Disclosing Company without retaining any copy thereof; and

(g) That nothing contained in this Agreement shall be construed as granting or conferring, whether by sale, license, or otherwise, to the Receiving Company any right, title or interest in any Confidential Information or Communications disclosed.

3. Each of the Companies agrees severally and not jointly that:

(a) Unless and until a definitive transaction agreement has been executed and delivered, no contract or agreement providing for a Proposed Transaction between the Companies shall be deemed to exist, and neither Company will be under any legal obligation of any kind whatsoever with respect to such Proposed Transaction by virtue of this or any written or oral expression thereof, except for the matters specifically agreed to in this Agreement. For purposes of this paragraph, the term "definitive transaction agreement" does not include an executed letter of intent or any other preliminary written agreement, nor does it include any written or oral acceptance of an offer, bid proposal or expression of interest on the part of either Company;

(b) Unless and until a definitive transaction agreement has been executed and delivered, without the prior written consent of the other, no Company will directly or indirectly willfully solicit for employment, or employ directly or indirectly (as an employee, consultant, independent contractor or otherwise), any of the current employees of the other with whom it comes in contact, or with respect to which it obtains information, in the course of investigations, discussions or negotiations conducted pursuant to this Agreement so long as such employees are employed by the other during the period in which there are discussions, investigations or negotiations conducted pursuant to this Agreement and for a period of one year after abandonment or termination of such investigations, discussions or negotiations;



(c) Any modifications or amendments to this Agreement shall be effective and binding only if contained in a writing referring to this Agreement and signed by all of the Companies; and

4. All rights and restrictions contained herein may be exercised and shall be applicable and binding only to the extent that they do not violate any applicable laws and are intended to be limited to the extent necessary so that they will not render this Agreement illegal, invalid or unenforceable. If any terms of this Agreement shall be held to be illegal, invalid or unenforceable by a court of competent jurisdiction, it is the intention of the Companies that the remaining terms shall constitute their Agreement with respect to the subject matter hereof and all such remaining terms shall continue in full force and effect.

5. No failure or delay by a Company in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise preclude any other or further exercise of any right, power or privilege hereunder. No waiver of any breach hereof shall be or serve as a waiver of any subsequent breach. No waiver of any breach of modification or amendment hereto shall be effective unless in a writing referring to this Agreement and signed by the waiving Company.

6. All notifications shall be sent by certified mail return receipt requested or by hand delivery to:

GRYPHEX, LLC:

**GRYPHEX, LLC**

1035 Windward Ridge Parkway

Suite 575

Alpharetta, Georgia 30005

ATTN: President

Disclosure Party:

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\_\_\_\_\_  
\_\_\_\_\_

7. The Companies acknowledge that they are aware (and their representatives have been advised) that the United States securities laws prohibit any person who has material non-public information about a company from purchasing or selling securities of such company.

8. This Agreement shall be governed and construed in accordance with the laws of the State of Georgia. In addition to any and all remedies available at law, the non-breaching Company shall be entitled to equitable relief, including injunction and specific performance, in the event of any breach of this agreement.

9. This agreement shall be binding upon and shall inure to the benefit and detriment of the parties hereto and their respective successors and assigns.

10. This Agreement represents the full and complete agreement of the Companies with respect to the use and confidentiality of the Confidential Information and Communications and supersedes all prior communications, agreements or proposals. All Confidential Information and Communications disclosed by a Disclosing Company to a Receiving Company whether prior or

subsequent to the effective date hereof shall be covered by this Agreement unless expressly stated to the contrary in a writing referencing this Agreement by the Disclosing Company at the time of disclosure.

11. The covenants of confidentiality set forth herein shall apply on the date set forth on the front page hereof and will continue (a) with respect to Communications and Confidential Information that rises to the level of trade secrets, indefinitely or until such information no longer qualifies as a trade secret under applicable law; and (b) with respect to Communications and Confidential Information that does not rise to the level of trade secrets, for a period equal of two (2) years after the date of this agreement.

**IN WITNESS WHEREOF**, the parties have executed this Mutual Nondisclosure Agreement under their hands and seals effective the date first above written.

GRYPHEX, LLC.

By:   
Name: Gregory A. Buchholz  
Title: President

Disclosure Party

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