

BUYER REPRESENTATION & CONFIDENTIALITY AGREEMENT

- 1) INTRODUCTION: this is an agreement for _____ ("Buyer") to retain _____ ("Broker") as Buyer's sole and exclusive agent in seeking to arrange and negotiate the possible acquisition, merger or the acquisition of any or all of the assets and/or real estate of _____ ("Business") owned by _____ ("Seller").

- 2) AGREEMENT:
 - a) Buyer authorizes Broker to represent Buyer for the purchase of Business. Buyer agrees Broker may disclose information about the Buyer that Buyer supplies to Broker to prospective sellers, landlords and other creditors or suppliers of the business to be acquired for the purpose of obtaining approval of the sale and transfer of any leases or other liens to be assumed by the Buyer. Broker will make no independent attempt to verify the information provided by Buyer. Buyer agrees to promptly notify Broker of any material changes to its financial situation that might affect its ability to purchase a business. Buyer warrants that the information provided is true and accurate and agrees to save and hold harmless Broker from any and all claims, disputes, litigation and/or judgments arising from any incorrect or incomplete information supplied by Buyer or for any material fact known to Buyer concerning his purchase of a business which Buyer fails to disclose.
 - b) Buyer hereby grants to Broker, the exclusive right, on behalf of Buyer, to represent and assist Buyer in the negotiation of the purchase, lease, exchange or transfer of the ownership of Business, or any interest in or part of Business, for a period of one hundred eighty (180) days from the date of execution of this agreement. Such time shall be extended provided Buyer and Seller have begun written negotiation and continue until either close of escrow or mutual rescission. Upon termination of this agreement or Buyer's expressed disinterest in further pursuit of Business, Buyer consents to Broker exposing Business to other potential buyers.
 - c) Agency Relationships: broker agrees to act as agent of Buyer in any resulting transaction. Buyer acknowledges and consents to the fact that Broker may act as a Dual Agent for both Buyer and Seller, upon the consent of Seller.
 - d) Buyer understands and agrees that Broker's reasonable efforts do not include any independent studies or financial audits as to Seller's Business. Evaluations or factual data presented to Buyer including but not limited to financial statements, equipment lists, tax returns, facilities leases and summary information prepared by Broker including any cash flow statements, adjusted net income statements or Seller's discretionary cash statements prepared by Broker shall be solely the representations or information provided by a Seller to Broker and not representations of Broker.
 - e) Buyer acknowledges that Broker does not currently have a contract with Seller. Should Buyer acquire all or part of the business, Buyer agrees to pay Broker 12% of the purchase price, with a minimum of \$12,000, payable at close of escrow. **Such commission shall be stated in all offers written as paid from the Seller's proceeds, deducted from the total offer price.** Purchase price shall include, but not be limited to, cash, notes, stocks, management and employment agreements with Seller, covenants not to compete, earnouts, royalties, license fees, lease obligations (to the extent any lease payments exceed market rates), debt assumptions, and any other valuable consideration given in exchange for securities or assets of the Seller during the period covered by this agreement including any extensions thereto, and for an eighteen (18) month period after the expiration of this agreement. Buyer agrees to pay the commission specified above and such commission is immediately due and payable to Broker in the event Buyer, or any agent, representative or client of Buyer, without making Broker a party to the transaction, purchases, leases, enters into an agreement to purchase or a contract of sale, makes a deposit on, opens an escrow or causes a notice of intent to purchase Seller or any business that Buyer brings to Broker's attention and requests Broker's assistance in investigating and/or acquiring during the terms of this agreement and for a period of twenty four months following the termination of this agreement. Furthermore, in the event of a pending sale of the Seller or its assets, Broker, at his sole discretion, may

