

CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT

This Confidentiality and Non-Disclosure Agreement (this “**Agreement**”) is made and entered into between _____ with an address at _____ (the “**Company**”) and **The Hanover Insurance Company** (“**Recipient**”) as of _____, 20____ (the “**Effective Date**”).

Background

The purpose of this Agreement is to describe the terms under which the Company will disclose certain information to Recipient. In consideration of the covenants of Recipient contained herein, the Company agrees to disclose certain information to Recipient for the sole purpose of Recipient’s evaluation and analysis thereof as set forth in Section 1 below. Therefore, in consideration of the mutual promises and obligations contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties mutually agree as follows:

1. Confidentiality. For the purpose of this Agreement the term “**Confidential Information**” shall mean any information provided by the Company to the Recipient during the term of this Agreement which is designated as confidential in writing, at the time of disclosure or promptly following oral disclosure, or which, under the circumstances surrounding such disclosure, would reasonably be understood to be confidential. The Recipient will neither disclose the Confidential Information, nor use such Confidential Information for any purpose other than to analyze such Confidential Information in order to determine the potential of one or more future business transactions between the Company and the Recipient (or the Recipient’s affiliates or subsidiaries). Without limiting the foregoing, Recipient may use Confidential Information of Company for underwriting and/or related insurance/bond analysis. Recipient will protect the Confidential Information with at least the same degree of care that it would exercise with respect to its own Confidential Information, but in no event less than reasonable care. The Recipient may disseminate the Confidential Information only to those of its (or its affiliates’ or subsidiaries’) employees, directors, officers, agents, consultants or representatives (the “**Representatives**”) who have a need to know such information, provided that each such Representative shall have agreed to treat such Confidential Information in accordance with the terms of this Agreement as if such Representative were a Recipient under this Agreement. Recipient shall be liable for any breach of this Agreement by its Representatives. Recipient may disclose Confidential Information to such reinsurer(s) and/or representatives thereof (“**Reinsurance Parties**”) as may be reasonably necessary or desirable in connection with the insurance/bond underwriting and/or analysis being undertaken by Recipient. Recipient shall instruct all such

Reinsurance Parties as to the obligations of confidentiality under this Agreement and such Reinsurance Parties shall be bound by the terms and conditions of this Agreement with respect to the Confidential Information disclosed.

2. Restrictions. The Confidential Information shall not be copied, reproduced, or modified in any way without the express written consent of Company. Upon termination of this Agreement, or upon the request of Company, the Confidential Information, including the originals and any copies thereof, shall be returned to Company or destroyed by the Recipient, at the Company’s request.

3. Excluded Information. Confidential Information shall not include information: (a) which was known to the Recipient prior to the Recipient’s receipt from the Company; (b) which is now or shall hereafter become, through no act or failure to act upon the part of the Recipient in violation of this Agreement, generally or publicly known; (c) which is furnished to third parties by Company without restriction on disclosure; (d) which is hereafter furnished to the Recipient by a third party acting lawfully and without restriction on disclosure; or (e) which is independently developed by the Recipient without the use of the Confidential Information.

The foregoing shall not restrict any disclosure required by law or government authority, provided that the Recipient provides prior written notice as soon as practicable to Company before disclosing any Confidential Information as required by law or government authority.

4. Ownership. All right, title, and interest in the Confidential Information shall belong to Company. No license under any patent, copyright, trademark, software, technology or other intellectual property, by implication or otherwise, is granted under this Agreement, except the limited rights necessary to accomplish the intent of the parties hereunder.

5. Equitable Relief. The unauthorized use or disclosure of Confidential Information may cause irreparable harm which would be difficult to ascertain and which would not be compensable by damages alone, and, in addition to any and all legal remedies available for breach of this Agreement, Company shall be entitled to seek equitable relief without the need for posting a bond.

6. Termination. The term of this Agreement shall commence on the Effective Date and expire on the second (2nd) anniversary thereof, provided however, either party may terminate this Agreement by providing thirty (30) days prior written notice to the other. Notwithstanding the foregoing, the obligations with respect to Confidential Information shall extend for a period of five (5) years from the date of initial disclosure of such Confidential Information, and such obligations regarding treatment, disclosure, use, and return of

Confidential Information shall extend beyond the termination or expiration of this Agreement.

7. Governing Law. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the Commonwealth of Massachusetts (excluding its choice of law rules). The exclusive jurisdiction and venue for any legal proceedings regarding this Agreement shall be in the state or federal courts located in the Commonwealth of Massachusetts.

8. Relationship of Parties. Nothing herein shall be construed to create a partnership, joint venture, or any agency relationship between the parties and neither party shall have the authority to bind the other party without such party's express written consent.

9. Entire Agreement. This Agreement is the complete and exclusive statement between the parties with respect to the subject matter hereof and supersedes all proposals, understandings, representations, warranties, covenants, and any other communications (whether written or oral) between the parties relating thereto. Only a writing that refers to this Agreement and is signed by both parties may amend this Agreement. Each party agrees that unless and until a definitive agreement between Recipient and the Company

with respect to any potential business transaction referred to in Section 1 of this Agreement has been executed and delivered, neither Recipient nor the Company will be under any legal obligation of any kind whatsoever with respect to any such transaction by virtue of this Agreement except for the matters specifically agreed to herein.

10. Waiver of Breach. Neither party shall, by lapse of time or inaction, be deemed to waive any breach by the other party of this Agreement. No waiver shall be effective unless in writing and signed by the party against which enforcement of such waiver is sought.

11. Assignment: Neither party hereto shall assign this Agreement or any of its rights hereunder without the prior written consent of the other party.

12. Severability. If any provision of this Agreement shall be held unenforceable or illegal, the validity of the remaining provisions hereof shall not be affected thereby and such provision shall be changed and interpreted so as to effectuate the intent of the parties.

13. Headings. The headings and captions used in this Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement.

The parties hereby acknowledge that they have read and understand this Agreement and agree to all the terms and conditions stated herein.

IN WITNESS WHEREOF, the parties, intending to be legally bound, have caused this Agreement to be executed by their duly authorized representatives.

Company :	Recipient: The Hanover Insurance Company
By:	By:
Name (Print):	Name (Print):
Title:	Title: