CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT

THIS CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT, executed this____ day of _____, 20____, but effective for all purposes on the Effective Date, is entered into by and among _____, a _____ corporation _____, a _____ corporation (hereinafter
referred to jointly as the "Corporation") and _____, an individual (hereinafter referred to as "Employee").

1.0 RECITALS

1.1 Corporation and Employee have previously entered into the Employment Agreement dated as of _____, _____, that Amendment No. _____ to the Employment Agreement, such amendment effective _____, 20___, and an Amendment to Employment Agreement and Consulting Agreement dated as of _____, _____ (the "Prior Agreements").

1.2 Concurrent with the execution of this Agreement, the Corporation and Employee are entering into an Employment Agreement, which, upon the Effective Date, shall supersede the Prior Agreements.

1.3 In his capacity as _____, _____, and _____ and as _____, the Employee has acquired and will acquire certain Confidential Information of the Corporation.

1.4 The parties acknowledge that the Confidential Information has independent economic value to the Corporation. Employee further acknowledges that the Corporation has taken steps to preserve and safeguard the secrecy of the Confidential Information.

1.5 The Employee understands that absent his entering into this Agreement, the Corporation would not enter into the Employment Agreement with the Employee.

IN CONSIDERATION of the mutual covenants and agreements contained herein, and or such other good and valuable consideration, the receipt and

adequacy of which is hereby admitted and acknowledged, the parties hereto agree as follows:

2.0 DEFINITIONS

2.1 Agreement: "Agreement" shall mean this Confidentiality and Non-Disclosure Agreement.

2.2 Business of Corporation: "Business of Corporation" shall mean the business of worker's compensation insurance and such other business or businesses substantially similar to the business of workmen's compensation insurance as the Corporation may, in the future, engage in.

For purposes of this definition, the parties agree that because of the possibility that the nature of workmen's compensation insurance may be altered or included within other types of insurance coverage, any system, type of insurance or coverage under which the employer provides its employees with the costs of medical care and other specified benefits for work related injuries and illnesses without regard to whether said system, type of insurance or coverage is called workmen's compensation insurance, shall be deemed to be a "Business of Employer" for purposes of this Agreement. Without limiting the generality of the foregoing, each of the businesses of health maintenance organizations, health care management, workmen's compensation and reinsurance and workmen's compensation reinsurance brokerage shall be deemed to be a "Business of Corporation."

2.3 Definitive Agreement: "Definitive Agreement" shall mean the Agreement To Purchase _____ entered into by and between the Corporation and _____, a _____, dated _____, 20___.

2.4 Confidential Information: "Confidential Information" shall mean Corporation's trade secrets including, but not limited to Corporation's operating systems and procedures, marketing strategy, knowledge concerning Corporation's customers and their specialized requirements (including any lists and databases pertaining thereto), Corporation's network of insurance brokers and agents, any technical, financial, or commercial data or other information, whether or not patentable or eligible for copyright (including without limitation ideas, concepts, know-how, methods, techniques, structures, information and material relating to existing software or software in various states of development, including source code, object and load modules, requirements, specifications, design notes, flow charts, documentation, technical and engineering data, and studies). Confidential Information shall also mean internal business procedures and business plans, including analytical methods and procedures, financial

information, service and operation manuals and documentation therefore, ideas for new products and services, customer and marketing information materials, marketing and development plans, forecasts and forecast assumptions, future plans and potential strategies of corporation, financial data, including price and cost objectives, quoting policies and procedures, customer data (including but not limited to customer lists, names of existing, past or prospective customers and their representatives, data provided by or about such prospective, existing or past customers, customer service information and materials, data about the terms, conditions, and expiration dates of existing contracts with customers, the type, quality and specifications of products purchased by such customers). Confidential Information shall also mean all notes, memoranda, files, records, writings and other documents which Employee has, in the past, or shall, after the Effective Date of this Agreement, prepare, use, or come into contact with during his employment with the Corporation, which relate to any of the above or are useful in any manner to the Business of the Corporation. Confidential Information shall also include any and all information and materials in Corporation's possession or under its control for any other person or entity which the Corporation is obligated to treat as confidential or proprietary, and any and all information not generally known to the public or within industries or trades in which the Corporation competes. The definition of Confidential Information applies, without regard, to whether any specific matters would be deemed confidential, material, or important. The parties stipulate that the matters are confidential, material, and important, and gravely affect the effective and successful conduct of the Corporation's business.

2.5 Corporation: "Corporation" shall mean _____, a _____corporation and/or _____, a _____ corporation.

2.6 Effective Date: "Effective Date" shall mean the Effective Date of the Agreement.

2.7 Employee: "Employee" shall mean _____, an individual.

2.8 Employment Agreement: "Employment Agreement" shall mean that certain Employment Agreement dated concurrently herewith.

2.9 Materials: "Materials" shall mean all of the Corporation's forms, programs, codes, databases, structures, manuals, data, directives, policies, books, records, notes, procedures, drawings, designs, audio tapes, video tapes, and any other representation, whether written or oral, whatsoever, that is used or useful in the operation of the Business of Corporation.

Unless otherwise defined herein, all other capitalized terms shall have the meaning ascribed to them under the Employment Agreement.

3.0 TERM

This Agreement shall be effective from and including the Effective Date through the first (1st) anniversary of the Employee's termination of employment with the Corporation. For purposes hereof, Employee's employment with Corporation shall include any periods of time for which Employee is entitled to severance pay, and any period of time for which Corporation has exercised its option to extend Employee's employment pursuant to § ____ of the Employment Agreement.

4.0 EMPLOYEE'S REPRESENTATIONS

4.1 Confidential Information: Employee acknowledges that the Confidential Information is sophisticated, is not generally known to the public or to others in the Corporation's industry, and has entailed the expenditure of substantial costs and effort on the Corporation's behalf over a long period of time.

4.2 Economic Value: Employee further acknowledges that the Confidential Information has independent economic value to the Corporation, and that, therefore, Corporation customarily undertakes efforts to protect the Confidential Information's secrecy.

4.3 Prior Employment: Employee represents that he has had and will in the future have access to the Confidential Information of the Corporation through his past, current, and future
employment with Corporation.

5.0 PROTECTION OF CONFIDENTIAL INFORMATION

5.1 Confidential Information:

(a) Employee will make all reasonable efforts to maintain the Confidential Information as confidential and secret proprietary information of the Corporation.
(b) Employee may only disclose Confidential Information to Corporation and Corporation's employees, and to agents to whom it shall be reasonably necessary to disclose the Confidential Information in order to further conduct the Business of the Corporation, and to his legal counsel in connection with such counsel's representation of Employee.

5.2 Employee's Covenants: In order to protect Corporation's Confidential Information and to promote and ensure the continuity of the Corporation's

contractual relationships with its customers, agents; and brokers, the Employee covenants and agrees, for so long as the Employee is employed by the Corporation as an officer, employee, consultant, agent, or contractor and for a period of one (1) year from the date the Employee ceases to hold any position or status with the Corporation, that he will not, at any time nor in any fashion, form or manner, either directly or indirectly, divulge, publish, disclose, or communicate to any person, firm or corporation any of the Confidential Information, or use the same for Employee's own benefit or to the detriment of the Corporation.

5.3 Property of the Corporation: In order to facilitate the Employee's performance under the Prior Agreements and the Employment Agreement, the Employee has and will continue to become aware of items of Confidential Information. Employee acknowledges that he is only granted a license to use the Confidential Information of the Corporation in the Business of Corporation. Employee agrees that such Confidential Information shall remain Corporation's property at all times during and after the term of this Agreement.

5.4 Materials: The Materials, together with all and any copies, shall be immediately returned to the Corporation upon termination or expiration of this Agreement. Employee agrees that the Materials shall remain Corporation's property at all times during and after the term of this Agreement.

5.5 System: From time to time, Corporation will identify additional Confidential Information, subject to this Agreement, including requiring Confidential Information subject to this
Agreement. Furthermore, Corporation may keep records to track Confidential Information of the Corporation, including requiring periodic reports by the Employee, and others, to permit Corporation to identify and accumulate that information which the Corporation considers proprietary and which Corporation desires to protect. Employee agrees to assist Corporation in such program(s), including disclosing all said Confidential Information to Corporation. Furthermore, Employee agrees to assist otherwise Corporation in protecting its Confidential Information, including but not limited to the following:

(a) making application in the State of California, and any other state, in the United States, and/or in any foreign countries for a patent or copyright on any Confidential Information or Materials specified by the Corporation.

(b) execution of documents of assignment to the Corporation or to its designee, all employee's right, title and interest in and to any such items.

(c) taking such additional action (including, but not limited to the execution and delivery of documents) to perfect, evidence or vest the Corporation or the

Corporation's designee, all right, title and interest in and to any Confidential Information and/or Materials.

6.0 INJUNCTIVE RELIEF

Employee acknowledges a breach of this Agreement would cause the Corporation irreparable harm, for which money is inadequate compensation. Employee agrees that the Corporation shall be entitled to injunctive relief and specific performance to enforce this Agreement, in addition to damages and other available remedies.

7.0 ADDITIONAL REMEDIES

Nothing in this Agreement is intended to restrict or limit any rights that the Corporation may have, including enforcement rights under the _____ (_____.).

8.0 SURVIVAL OF REPRESENTATIONS AND WARRANTIES

Each and every representation, warranty and covenant set forth herein is true as of the date of execution and shall survive the same.

9.0 ENTIRE AGREEMENT

9.1 Sole Agreement: This Agreement contains the parties' sole and entire agreement regarding the subject matter hereof, and supersedes any and all other agreements between them.

9.2 No Other Representatives: The parties acknowledge and agree that no party has made any representations (a) concerning the subject matter hereof, or (b) inducing the other party to execute and deliver this Agreement, except those representations specifically referenced herein. The parties have relied on their own judgment in entering into this Agreement.

9.3 No Reliance: The parties further acknowledge that any statements or representations that may have been made by any of them to the others are void and of not effect. No party has relied on any such statements or representations in dealing with the other(s).

10.0 NO MODIFICATIONS OR WAIVERS

10.1 Must Be Written: Waivers or modifications of this Agreement, or of any covenant, condition, or limitation contained herein, are valid only if in writing. Such writing must be duly executed by the parties.

10.2 No Use As Evidence: One or more waivers or modifications of any covenant, term or condition in this Agreement by any party shall not be construed by any other party as a waiver or modification applicable to any subsequent breach of the same covenant, term or condition. Evidence of any such waiver or modification may not be offered or received in evidence in any proceeding, arbitration, or litigation between the parties arising out of or affecting this Agreement, or a party's rights or obligations under it. This limitation does not apply if the waiver or modification is in writing and duly executed as provided above.

11.0 JOINT PREPARATION

The parties to this Agreement have been represented by competent counsel. This Agreement is therefore deemed to have been jointly prepared by the parties, and any uncertainty or ambiguity existing in it shall not be interpreted against any party under the presumptions of _____, but rather shall be interpreted according to the rules generally governing the interpretation of contracts.

12.0 COOPERATION AND FURTHER ACTIONS

The parties agree to perform any and all acts and to execute and deliver any and all documents necessary or convenient to carry out the terms of this Agreement.

13.0 PROFESSIONAL FEES

If a lawsuit or other proceedings are instituted by any party to enforce any of the terms or conditions of this Agreement against any other party hereto, the prevailing party in such litigation or proceedings shall be entitled, as an additional item of damages, to such reasonable attorneys' and other professional fees (including but not limited to expert witness fees) and court costs or costs of such other proceedings as may be fixed by any court of competent jurisdiction, or other judicial or quasi-judicial body having jurisdiction thereof, whether or not such litigation or
proceedings proceed to a final judgment or award.

14.0 COUNTERPARTS

This Agreement may be executed in several counterparts, each of which so executed shall be deemed to be an original, but such counterparts shall together constitute and be one and the
same instrument.

15.0 SEVERABILITY

If any part, clause, or condition of this Agreement is held to be partially or wholly invalid, unenforceable, or inoperative for any reason whatsoever, such shall not affect any other provision or portion hereof, which shall continue to be effective as though such invalid, inoperative, or unenforceable part, clause or condition had not been made.

16.0 BINDING UPON SUCCESSORS

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors and assigns.

17.0 RECITALS

The Recitals in this Agreement are incorporated into the body of this Agreement. To the extent the Recitals are inconsistent with the terms of this Agreement, the terms of this Agreement
shall control.

18.0 GOVERNING LAW AND VENUE

All questions concerning this Agreement, its construction, and the rights and liabilities of the parties hereto shall be interpreted and enforced in accordance with the laws of the State of _____ as applied to contracts which are executed and performed entirely within the state. For purposes of this Agreement, sole and proper venue shall be the City of _____, State of _____.

19.0 INTERPRETATION

19.1 Paragraph Headings. The paragraph headings of this Agreement are included for purposes of convenience only, and shall not affect the construction or interpretation of any of its
provisions.

19.2 Capitalized Terms. Except as otherwise expressly provided herein, all capitalized terms defined in this Agreement shall have the meaning ascribed to them herein.

19.3 Gender and Number. Whenever required by the context, the singular shall include the plural, the plural shall include the singular, and the masculine gender shall include the neuter and feminine genders and vice versa.

20.0 FACSIMILE NOTICES

For purposes hereof, delivery of written notice shall be complete upon receipt of electronic facsimile, provided that any facsimile notice shall only be deemed received if (a) the transmission thereof is confirmed, and (b) facsimile notice is followed by written notice, made either by (i) personal delivery thereof, or (ii) via deposit in regular mail, postage prepaid, within _____ (____) business days following the facsimile notice. Notices shall be addressed to the parties as follows:

Employee: (Insert information)
Attorney for:
Employee:
Corporation:
Attorney for
Corporation:
Corporation:
Attorney for
Corporation:

Notice shall be deemed given on the date it is sent via facsimile. Any party may change the address to which to send notices by notifying the other party of such changes in writing in
accordance with this paragraph.

21.0 TIME OF ESSENCE

The parties acknowledge and agree that time is strictly of the essence with respect to each and every term, condition, obligation and provision hereof. Failure to timely perform any of the terms, conditions, obligations or provisions hereof by any party shall constitute a material breach of this Agreement by the party so falling to perform.

22.0 RELATIONSHIP CREATED

Absent the employer/employee relationship created pursuant to the Employee Agreement, nothing contained herein or in any schedule, attachment, or exhibit hereto shall create any partnership, joint venture or other agreement between the parties hereto.

23.0 THIRD PARTY BENEFICIARIES

No term or provision of this Agreement is intended to be, or shall be, for the benefit of any person, firm organization or corporation not a party hereto, and no such other person, firm,
organization or corporation shall have any right or cause of action hereunder.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first written above and effective as of the Effective Date, at _____, _____.

WITNESS/ATTEST: "Corporation"

_____

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