

NONDISCLOSURE AGREEMENT

This Nondisclosure Agreement ("Agreement") is made and entered into as of the ____ day of _____, 2012, by and between American Air Filter Company, Inc., d/b/a AAF International, a corporation organized and existing under the laws of the State of Delaware, with a principal place of business at 10300 Ormsby Park Place, Suite 600 Louisville, Kentucky, 40223 ("AAF"), and _____, a corporation organized and existing under the laws of _____, with a principal place of business at _____ ("Company").

RECITALS

A. AAF and Company (each, a "Party" and collectively the "Parties") contemplate discussions and negotiations concerning _____.

B. In order to facilitate such discussions and negotiations, the Parties may disclose to each other certain information and material concerning the business, operations and affairs of such Party.

C. The Parties are mutually desirous of keeping confidential both the matters covered in such discussions and negotiations and the information that may be disclosed.

NOW, THEREFORE, in consideration of the premises and the mutual agreements herein set forth, the Parties agree as follows:

ARTICLE I

Designation and Use of Confidential Information

1.1 Designation of Confidential Information. For purposes of this Agreement, "Confidential Information" shall mean all of the written and oral information and material that a Party may disclose to the other concerning the business, operations and affairs of such Party, including without limitation (i) any and all trade secrets, (ii) financial information, market studies, and other business and strategic information, (iii) drawings, designs, styles, specifications, sketches, models, samples and other technical information, (iv) current or historical data, know-how, ideas, and business plans, (v) names, addresses, telephone numbers, fax numbers or email addresses of business contacts, customer lists, price lists and current and anticipated customer requirements, and (vi) computer software and programs, reports, studies and any other information, however, documented.

1.2 Exclusions from Confidential Information. Confidential Information does not include any information:

(a) which is or becomes publicly known through no wrongful act, omission or fault of the receiving Party;

(b) which the receiving Party can reasonably demonstrate is already in the possession of the receiving Party and not subject to an existing agreement of confidence;

(c) which is received after the date hereof from a third party without restriction and without breach of this Agreement; or

(d) which is independently developed by the receiving Party as evidenced by its records kept in the ordinary course of business.

1.3 Protective Measures. A recipient of Confidential Information hereunder shall use all reasonable care to keep the Confidential Information confidential and shall not use the Confidential Information in any manner or for any purpose other than for the purpose of evaluating and making business decisions related to the possible transaction referred to in Paragraph A of this Agreement. Without limiting the foregoing, each Party agrees to take appropriate steps to:

(a) restrict disclosure of Confidential Information solely to its employees, advisors and representatives with a need to know to evaluate the potential transaction referred to in Paragraph A of this Agreement and not disclose such Confidential Information to any other person or entity;

(b) use the Confidential Information provided hereunder only for purposes expressly provided for herein and for no other purposes; and

(c) advise all of its employees, advisors and representatives with access to the Confidential Information of the obligation of confidentiality imposed by this Agreement and require each of such employees, advisors and representatives, upon receipt of, or access to, such Confidential Information, to agree to be bound by the confidentiality and non-use provisions of this Agreement and to refrain from making a disclosure prohibited by this Agreement.

Notwithstanding the foregoing, the receiving Party may disclose Confidential Information pursuant to a valid order of a court or other governmental body or any political subdivision thereof; provided, however, that the receiving Party shall first have (i) given prompt notice to the disclosing Party so that the disclosing Party will have the opportunity to intervene to assert what rights it may have in non-disclosure prior to the response to such order and (ii) made a reasonable effort to obtain a protective order requiring that information so disclosed be used only for the purposes for which the order was issued.

ARTICLE II Term

The term of this Agreement shall be for a period of three (3) years from the date first written above unless sooner terminated by either Party upon written notice. Notwithstanding the expiration or termination of the term, the obligations of the receiving Party under this Agreement with respect to Confidential Information will continue in full force and effect as follows: (a) in the case of any Confidential Information that constitute a trade secret within the meaning of applicable law, for as long as such information and materials remain as a trade secret, or (b) in the case of any other Confidential Information, for a period of five (5) years from the date of disclosure.

ARTICLE III Retention of Rights

Nothing contained in this Agreement shall be construed as granting or conferring any rights by license or otherwise in any Confidential Information disclosed to the receiving Party. All Confidential Information of the disclosing Party, including without limitation, all physical embodiments thereof irrespective of the media upon which it is received, is and shall remain the sole and exclusive property of such disclosing Party and shall be returned by the receiving Party to the disclosing Party upon the expiration or termination of this Agreement or at any time upon the written request of the disclosing Party. At such time, any abstracts, notes, memoranda or other documents containing any Confidential Information or any description, summary or analysis of any Confidential Information of the disclosing Party shall be destroyed by the receiving Party, which destruction shall be certified in writing by an officer of the receiving Party. No disclosure of any Confidential Information hereunder shall be construed as a public disclosure of such Confidential Information by either Party or any of its affiliates for any purpose whatsoever.

ARTICLE IV Limitations on Obligations

This Agreement shall not require either party to disclose any information to the other, and the receiving Party understands and acknowledges that the disclosing Party is not making any representation or warranty, express or implied, as to the accuracy or completeness of the Confidential Information, and disclosing Party shall not have any liability to receiving Party resulting from the use of the Confidential Information. The furnishing of Confidential Information hereunder shall not obligate either Party to enter into any further agreement or negotiations with the other or, except as may be expressly provided for herein, to refrain from entering into an agreement or negotiations with any other person. Each Party agrees that, unless and until a definitive agreement between the Parties with respect to any transaction referred to in Paragraph A of this Agreement has been executed and delivered, neither Party will be under any legal obligation of any kind whatsoever with respect to such a transaction by virtue of this or any written or oral expression with respect to such a transaction by any of the directors, officers, employees, agents, advisors or representatives of it or its affiliates except, in the case of this Agreement, for the matters specifically agreed to herein.

ARTICLE V Remedies

The Parties acknowledge and agree that the covenants herein and the Confidential Information provided to the receiving Party are of a special, unique and extraordinary character and that the disclosing Party would be irreparably harmed by any disclosure of the Confidential Information in violation of this Agreement. Therefore, the receiving Party waives any claim or defense that the disclosing Party has an adequate remedy at law for the disclosure or use of Confidential Information in violation of this Agreement, which remedy shall not be deemed to be the exclusive remedy for the breach of this Agreement, but shall be in addition to all other remedies available at law or in equity to the disclosing Party. Receiving Party hereby affirmatively waives any requirement that the disclosing Party post any bond (or to the extent such bond is required receiving Party agrees that the amount of such bond shall not exceed \$1,000), demonstrate the likelihood of irreparable harm to the disclosing Party, or demonstrate that actual damages will be suffered by disclosing Party as a result of receiving Party's breach of any of the covenants set forth in this Agreement.

Nothing herein contained will be construed as prohibiting either Party from pursuing any other remedies available to them for such breach or threatened breach, including, without limitation, the recovery of money damages, and the prevailing party in any lawsuit shall be entitled to the payment

of any and all reasonable fees, disbursements, and other charges of the attorneys, court costs, and all other costs.

ARTICLE VI Confidentiality of Negotiations

Except as may be required by law, without the prior written consent of the other Party, a Party shall not, and shall insure that its affiliates, representatives and advisors do not, disclose to any person either the fact that discussions or negotiations are taking place concerning a possible transaction between the Parties or any of the terms, conditions or other facts with respect to any such possible transaction, including the status thereof.

ARTICLE VII Nonsolicitation Covenants

No party will recruit or solicit the other's personnel or employees that have become know to a Party as a result of the Confidential Information or negotiations regarding a potential transaction until the earlier of (i) one year after termination of such negotiations, or (ii) that person is no longer employed by the other party; except that this provision is not intended to apply to any general solicitation or advertisement for employment that is not specifically directed to employees of the other Party.

The Parties further agree that the Confidential Information shall not be provided to any employee, officer or other person that would be making competitively sensitive decisions, such as pricing, marketing or client development, in any area in which the Parties are in actual competition.

ARTICLE VIII Miscellaneous

8.1 Successors and Assigns. No party shall assign any of its rights or obligations under this Agreement, by operation of law or otherwise, without obtaining the prior consent of the other party. This Agreement shall be binding upon and shall inure to the benefit of the Parties, and their respective successors and permitted assigns.

8.2 Notices. Except as otherwise provided in this Agreement, notices and other communications under this Agreement shall be in writing (including a writing delivered by facsimile transmission) and shall be deemed to have been duly given if delivered personally, or sent by overnight courier guaranteeing next day delivery, addressed to AAF at 10300 Ormsby Park Place, Suite 600, Louisville, Kentucky, 40223, (Attention: Division General Counsel) or by facsimile at (502) 637-0108) and addressed to Company at _____. Each Party, by written notice given to the other Party in accordance with this Section 8.2 may change the address to which such notice or other communications are to be sent to such Party. All such notices and communications shall be deemed to have been received on the date of delivery thereof if delivered by hand, on the next day after the sending thereof if by overnight courier, and when receipt is acknowledged if telecopied.

8.3 Applicable Law. **THIS AGREEMENT, AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HERETO, SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE**

WITH THE SUBSTANTIVE LAWS OF THE COMMONWEALTH OF KENTUCKY, U.S.A., WITHOUT GIVING EFFECT TO THE CONFLICTS OF LAW PRINCIPLES THEREOF.

8.4 Indemnification. Each party (the "Indemnifying Party") shall at all times during the term and thereafter indemnify and hold harmless the other party (the "Indemnified Party") and its directors, officers, agents, partners, affiliates and their personal representatives, heirs, successors and assigns, and each of them, from and against any and all claims, liabilities, losses, demands, penalties, fines, suits, judgments, settlements, damages, costs and expenses (including, without limitation, reasonable attorneys' fees) incurred by such party or any such person or entity, arising out of or related to any act or omission of the Indemnifying Party in connection with the duties hereunder or the failure, breach or default by Indemnifying Party of any of the representations, warranties, covenants or other agreement of Indemnifying Party contained in this Agreement.

8.5 Consent To Jurisdiction. Each of the parties consents and voluntarily submits to personal jurisdiction in the Commonwealth of Kentucky and in the courts in such state located in Jefferson County and the United States District Court for the Western District of Kentucky in any proceeding arising out of or relating to this Agreement, and agrees that all claims raised in such proceeding may be heard and determined in such court. Each of the parties further consents and agrees that such party may be served with process in the same manner as a notice may be given under this Agreement.

8.6 Forum Selection. Any action to enforce any provision of this Agreement shall be instituted exclusively in the United States District Court for the Western District of Kentucky or, if such Court does not have jurisdiction to adjudicate such action, in the courts of the Commonwealth of Kentucky located in Jefferson County. The parties irrevocably and unconditionally waive and shall not plead, to the fullest extent permitted by law, any objection that they may now or hereafter have to the jurisdiction of such courts over the parties, the laying of venue or the convenience of the forum of any action related to this Agreement that is brought in the United States District Court for the Western District of Kentucky or in the Courts of the Commonwealth of Kentucky located in Jefferson County.

8.7 Integration. This Agreement and the documents referred to herein or delivered pursuant hereto which form a part hereof contain the entire understanding of the Parties with respect to the subject matter hereof. There are no restrictions, agreements, promises, representations, warranties, covenants or undertakings with respect to the subject matter hereof other than those expressly set forth or referred to herein. This Agreement supersedes all prior agreements and understandings between the Parties with respect to the subject matter hereof.

8.8 Enforceability. The covenants and agreements contained in this Agreement shall be construed as separate covenants and agreements, and if any court shall finally determine that the restraints provided for in any such covenants and agreements are too broad as to the area, activity or time covered, said area, activity or time covered shall be reduced to whatever extent the court deems reasonable, and such covenants and agreements shall be enforced as to such reduced area, activity or time.

8.9 Invalid Provisions. If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws effective during the term hereof, such provision shall be fully severable; this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part hereof; and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or its severance from this Agreement.

8.10 Amendment; Waiver. This Agreement may be amended, modified or superseded only by a written instrument signed by all of the parties to this Agreement. No party shall be deemed to have waived compliance by another party of any provision of this Agreement unless such waiver is contained in a written instrument signed by the waiving party and no waiver that may be given by a party will be applicable except in the specific instance for which it is given. The failure of any party to enforce at any time any of the provisions of this Agreement or to exercise any right or option contained in this Agreement or to require at any time performance of any of the provisions of this Agreement by any of the other parties shall not be construed to be a waiver of such provisions and shall not affect the validity of this Agreement or any of its provisions or the right of such party thereafter to enforce each provision of this Agreement. No course of dealing shall operate as a waiver or modification of any provision of this Agreement or otherwise prejudice such party's rights, powers and remedies.

8.11 Survival. Articles I, V, VII, VIII, and any other provision of this Agreement, which by its nature or terms survive expiration or termination of this Agreement, shall survive any such expiration or termination and continue to be binding.

8.12 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument, and it shall not be necessary in making proof of this Agreement to produce or account for more than one such counterpart.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date set forth above.

American Air Filter Company, Inc.

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____