

MUTUAL CONFIDENTIALITY AGREEMENT

This Mutual Confidentiality Agreement (“Agreement”) is made as of this _____ day of _____, 2006, by and between American Debt Sales, LLC (“Seller”, “ADS”), a Nevada limited liability company with an office in Kansas and _____ (“the Prospective Buyer”), a _____.

WHEREAS, ADS and the Prospective Buyer are interested in pursuing discussions relating to engaging in a possible business relationship including the review and purchase of charged off receivables;

NOW, THEREFORE, the parties hereto agree as follows:

1. For purposes of this Agreement, the term “Confidential Information” means any confidential or proprietary information whether provided in writing or orally to by or on behalf of ADS or to ADS by or on behalf of the Prospective Buyer, including but not limited to proprietary information regarding computer applications, methods, processes, inventions, improvements, intellectual property and trade secrets as well as information about the Prospective Buyer’s, ADS’s or either of their affiliates’ businesses, services, products, processes, formulas, designs, formats, marketing plans and materials, analyses, strategies, business plans, forecasts, research, underwriting criteria, customer names or aspects of the Prospective Buyer’s, ADS’s or their affiliates’ existing or potential customers, or any information derived therefrom. The Prospective Buyer recognizes and acknowledges that, as a result of this Agreement, it may be provided, exposed to, and learn ADS customers' non-public personal information as defined in Gramm-Leach-Bliley Act, 15 U.S.C. 6801 *et seq* ("Consumer Information"). ADS’s Confidential Information shall also specifically include such Consumer Information. Confidential Information shall not include any information which (i) is or becomes available to the public other than as a consequence of a breach of any obligation of confidentiality; (ii) is or becomes known, from a source other than the other party and without breach of any obligation of confidentiality, by either party prior or subsequent to its receipt from the other party; or (iii) is independently developed by either party without reference to any information disclosed pursuant to this Agreement.
2. The Prospective Buyer and ADS hereby agree to hold in strict confidence and trust all Confidential Information provided to either by the other, and agree not to disclose, sell, rent or otherwise provide, directly or indirectly, any such Confidential Information without the prior written consent of the other party, which consent may be arbitrarily withheld. Each party may disclose Confidential Information provided by the other party only to its own employees who agree to be bound by the terms of this Agreement, and then only to the extent necessary to carry out the legitimate use of the Confidential Information. The Prospective Buyer authorizes ADS to disclose the Prospective Buyer Confidential Information to its affiliates and third party service providers to the extent necessary to perform its obligations pursuant to this Agreement. The parties shall be permitted to disclose the other party’s Confidential Information to their accountants and legal advisors, as necessary for the performance of their respective duties, provided that said persons and such individuals are aware of their obligation to maintain the confidential and proprietary nature of the Confidential Information except as required by law or by any governmental regulatory authority. The Prospective Buyer agrees that any dissemination of Consumer Information within the Prospective Buyer’s own business entities shall be on a "need to know" basis for the sole purpose of the performance of the Prospective Buyer’s obligations hereunder. **The Prospective Buyer shall not disclose Consumer Information to any**

third party, including its affiliates and service providers, without ADS's prior written consent and the written agreement of such third party to be bound by the terms of this Agreement.

In the event that a party or any of its employees become legally compelled (by deposition, interrogatory, request of documents, subpoena, civil investigative demand or similar process) to disclose any of the Confidential Information of the other party, the party or other such person from whom such Confidential Information is being sought shall, to the extent permitted, provide the party to whom the Confidential Information belongs with prompt prior written notice of such requirement so that the party to whom the Confidential Information belongs may seek a protective order or other appropriate remedy and/or waive compliance with the terms of this Agreement. In the event that such protective order or other remedy is not obtained, or the party to whom the Confidential Information belongs waives compliance with the provisions hereof, the person required to provide such information agrees to furnish only such portion of the Confidential Information which is legally required to be furnished. The Prospective Buyer and ADS further agree that each of them may use and copy the Confidential Information provided by the other party only in connection with its express agreements with the other, and not for either party's own purposes or for the benefit of any third party. The Prospective Buyer and ADS agree that each will require its own employees, to comply with this Agreement and that each will be responsible for any breach of this Agreement by its own employees, outside accounting and legal advisors.

3. When requested by the other party, ADS and the Prospective Buyer each agree to return to the other or destroy (and certify destruction of) any and all Confidential Information received from or on behalf of the other, including any and all copies or duplicates of the Confidential Information regardless of the medium in which the Confidential Information exists.
4. In addition to the understandings set forth herein with respect to the Confidential Information, the Prospective Buyer and ADS, including their respective employees, agents, related companies, and subcontractors, agree to keep strictly confidential and not disclose to any third party, the existence of or any aspect of ongoing or completed negotiations or business dealings between ADS and the Prospective Buyer. The Prospective Buyer and ADS agree that neither will use or disclose the other's name, trade name, or other proprietary designation, except as necessary to perform its obligations pursuant to this Agreement, without the prior written consent of the other.
5. The Prospective Buyer shall establish and maintain policies and procedures designed to insure the confidentiality of Consumer Information, if any, received from ADS. The Prospective Buyer shall notify ADS promptly upon the discovery of the loss, unauthorized disclosure or unauthorized use of any such Consumer Information.
6. ADS may audit the Prospective Buyer's compliance with the obligations of this Agreement upon reasonable notice during regular business hours.
7. Each party to this Agreement understands that in the event it fails to comply with this Agreement, the other may suffer irreparable harm which may not be adequately compensated for by monetary damages alone. Each party, therefore, agrees that in the event of its breach or threatened breach of this Agreement, the other shall be entitled to injunctive and/or other preliminary or equitable relief, in addition to any other remedies available at law.
8. If either party to this Agreement shall prevail in any action at law or in equity to enforce the provisions of this Agreement, the other shall pay the prevailing party's costs and expenses, including reasonable attorney's fees.

9. This Agreement contains the entire understanding of the parties hereto with respect to the subject matter hereof, supersedes any prior oral or written agreements with respect to such, and may only be modified in writing. This Agreement shall remain in full force and effect until a subsequent, written agreement, if any, expressly providing for confidentiality is executed by the parties hereto. The parties hereto recognize and agree that nothing contained in this Agreement shall be construed as a commitment on the part of either party to enter into any agreement to be construed as granting any rights, by license or otherwise, to any Confidential Information disclosed pursuant to this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as an agreement under seal to be governed by the laws of the state of Nevada, by their respective duly authorized representatives as of the date first written above (without regard to its principles of conflicts of laws).

American Debt Sales, LLC
Its General Partner

Company Name

By: _____

By: _____

Print Name

Title: Director of Operations

Title: _____

Office Number

Fax Number

Email Address