

**EXHIBIT B**

**CONFIDENTIALITY/NON-COMPETITION AGREEMENT**

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**CANNON HYGIENE FRANCHISING (USA) INC.**

**CONFIDENTIALITY/NON-COMPETITION AGREEMENT**

**NAME:** \_\_\_\_\_

**FRANCHISEE:** \_\_\_\_\_

**HOME ADDRESS:** \_\_\_\_\_

**HOME TELEPHONE:** \_\_\_\_\_

**CLASSIFICATION:** \_\_\_\_\_  
(Owner, Shareholder, Officer, Director,  
Attorney, Employee, Etc.)

\_\_\_\_\_ ("Franchisee") is a franchise of Cannon Hygiene Franchising (USA) Inc. ("Franchisor") pursuant to a Franchise Agreement entered into by Franchisee and Franchisor dated \_\_\_\_\_ (the "Franchise Agreement"). I agree that, unless otherwise specified, all terms in this Agreement have those meanings ascribed to them in the Franchise Agreement.

I hereby agree that during the term of my employment by, ownership participation in, association with or service to Franchisee, or at any time thereafter, I will not communicate, divulge or use for the benefit of any other person, persons, partnership, proprietorship, association, corporation or entity any confidential information, knowledge or know-how concerning the systems of operation, services, products, clients or practices of Franchisee and/or Franchisor which may be communicated to me ("Confidential Information"), and I will not divert any business to competitors of Franchisee and/or Franchisor.

Any and all information, knowledge, know-how, techniques and information which the entities mentioned above or their officers designate as confidential will be Confidential Information for the purposes of this Agreement, except information which I can demonstrate came to my attention before disclosure or which had become or becomes a part of the public domain through publication or communication by others, but in no event through any act of mine.

I will be released from the restrictions of this Article 13 only to the extent that I am legally compelled to disclose any of the Confidential Information in response to a court order, subpoena, tax audit, or other legal compulsion; provided, however: (i) that prior to any such disclosure I shall provide Franchisor and Franchisee with prompt notice thereof so that Franchisor and/or Franchisee may seek a protective order or other appropriate remedy, and only in the event that such protective order or other appropriate remedy is not obtained or Franchisor and Franchisee waive compliance with the provisions of this Article 13, may I furnish any portion of the Confidential Information, and only that portion of the Confidential Information that I am advised by written opinion of counsel is legally required, and (ii) that I shall promptly prepare, so label and transmit to Franchisor and Franchisee copies of all Confidential Information that I provide to any third parties for such purposes.

I specifically understand that, without limitation, the following have been deemed to constitute Confidential Information of Franchisor: all services, equipment, supplies, materials,

technologies and procedures relating to personal hygiene disposal services and to related services; all systems of operation, services, products, programs, procedures, policies, standards, techniques, specifications and criteria which are now or in the future part of the Cannon Hygiene System; Franchisor's Manual; Supplements and amendments to the Manual; services, methods, procedures, systems and techniques for the installation and servicing of the Units, dispensing machines and personal hygiene equipment; procedures and techniques for the utilization of the Cannon HiQ Fluid; specifications and standards for equipment, chemicals, products, materials and supplies; records pertaining to customers or billings; methods of advertising and promotion; instructional materials; quality assurance programs; supervision systems; recommended services; recordkeeping systems and materials; business forms; product and service order forms; general operations materials; job descriptions; advertising, promotional and public relations materials, campaigns, guidelines and philosophy; specifications, systems, standards, techniques, philosophies and materials, guidelines, policies and procedures concerning the Cannon Hygiene System; additions to, deletions from, and modifications and variations of the components of the Cannon Hygiene System or the systems and methods of operations which now or in the future are employed by Franchisor, including all related standards and specifications and the means and manner of offering and selling them; and, all other components, specifications, standards, requirements and duties imposed by Franchisor or its Affiliates.

I will at no time copy, duplicate, record or otherwise reproduce any of the Confidential Information or material containing it, in whole or in part, store them in a computer retrieval or data base, nor otherwise make them available to any unauthorized person. Upon the expiration or other termination for any reason of my employment, association, service or ownership participation, I agree to return to Franchisor or Franchisee (as the case may be) all materials, books, records, and manuals considered confidential under this Agreement which are in my possession.

I further agree that during the term of my employment/service/association/ownership participation, and for a period of one year immediately following its expiration or termination for any reason, I will not, directly or indirectly, engage or participate in any other business which offers or sells personal hygiene disposal services or products, or which offers or sells any other service, product or component which now or in the future is part of the Cannon Hygiene System, or any confusingly similar service or product. I am prohibited from engaging in any competitive business as a proprietor, partner, investor, shareholder, director, officer, employee, principal, agent, advisor, or consultant.

For a period of one year immediately following the expiration or termination of my employment/service/association/ownership participation, I am prohibited from engaging in any competitive business, if the other business is located within Franchisee's Territory, within ten miles of the boundaries of Franchisee's Territory, or within ten miles of (or within) any other Cannon Hygiene Business (whether Company-owned, franchised or otherwise established and operated).

It is the intention of these provisions to preclude not only direct competition but also all forms of indirect competition, such as consultation for competitive businesses, service as an independent contractor for competitive businesses, or any assistance or transmission of information of any kind which would be of any material assistance to a competitor. Nothing herein will prevent me from owning for investment purposes up to an aggregate of 5% of the capital stock of any competitive business, so long as the competitive business is a publicly held corporation whose stock is listed and traded on a national or regional stock exchange, or through the National Association of Securities Dealers Automated Quotation System (NASDAQ), and so long as I do not control the company in question.

It is the intention of these provisions that any person or entity having any legal or beneficial interest in or traceable to, down or through me to be bound by the provisions of this covenant, including (without limitation) my spouse, brother, brother-in-law, sister, sister-in-law, parent,

parent-in-law, child, son-in-law or daughter-in-law; any direct or indirect beneficiary; any partner (general or limited) or proprietor of mine; and, any other such related person or entity, regardless of how many levels or tiers there may be between any such described person or entity and me. I further agree that upon the expiration or termination of my term of employment/service/association, I will immediately refrain from any and all contacts with customers, for any purpose whatsoever.

**I acknowledge that violation of the covenants not to compete contained in this Agreement would result in immediate and irreparable injury to Franchisor and Franchisee for which no adequate remedy at law will be available. Accordingly, I hereby consent to the entry of an injunction procured by Franchisor or Franchisee (or both) prohibiting any conduct by me in violation of the terms of those covenants not to compete and/or restrictions on the use of confidential information set forth in this agreement. I expressly agree that it may conclusively be presumed in any legal action that any violation of the terms of these covenants not to compete was accomplished by and through my unlawful utilization of Franchisor's Confidential Information, know-how, methods and procedures. Further, I expressly agree that any claims I may have against Franchisor will not constitute a defense to Franchisor's enforcement of the covenants not to compete set forth in this Agreement. I further agree to pay all costs and expenses (including reasonable attorneys' and experts' fees) incurred by Franchisor in connection with the enforcement of those covenants not to compete set forth in this Agreement.**

If all or any portion of this covenant not to use confidential information and not to compete is held unreasonable, void, vague or illegal by any court or agency having valid jurisdiction in an unappealed final decision to which Franchisee and/or Franchisor is a party, the court or agency will be empowered to revise and/or construe the covenant to fall within permissible legal limits, and should not invalidate the entire covenant. I expressly agree to be bound by any lesser covenant subsumed within the terms of this Agreement as if the resulting covenant were separately stated in and made a part of this Agreement.

Witnessed By:

\_\_\_\_\_

\_\_\_\_\_  
(Print Name)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Date)