

CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT

This CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT (the "Agreement") is made and entered into effective as of the ____ day of _____, 20__, by and between (i) Steel City Telecom, Inc., a corporation established under the laws of the State of _____, having its principal place of business at 210 Grant Street, Suite 201, Pittsburgh, Pennsylvania 15219 ("Steel City Telecom"), and (ii) _____, a corporation or company established under the laws of the State of _____, having its principal place of business at _____ (the "Recipient").

RECITALS

- A. Steel City Telecom is planning to provide a high-speed data transmission service to the public (the "Business").
- B. Recipient is contemplating selling products or providing services or financing to Steel City Telecom in connection with the Business (the "Proposed Transaction").
- C. Recipient desires to review certain confidential, nonpublic information regarding Steel City Telecom, the Business, and the Proposed Transaction, to assist Recipient in making its decision whether to pursue and/or consummate the Proposed Transaction.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants set forth herein, the parties hereto do hereby agree as follows:

1. Recitals.

The Recitals set forth above shall be incorporated herein by this reference.

2. Confidentiality of Information.

Steel City Telecom may provide to Recipient, orally or in documentary form, information or data regarding Steel City Telecom, the Business, and the Proposed Transaction and all related technical, administrative, marketing, management, consulting or financial matters and activities. All such information shall be deemed proprietary and confidential to Steel City Telecom (the "Proprietary Information"). For purposes hereof, the term "Proprietary Information" does not include any information which (i) at the time of disclosure to Recipient was or thereafter became publicly available or a matter of public knowledge, without a breach of this Agreement by Recipient, (ii) was given to Recipient by a third party who is not known to Recipient to be obligated to maintain confidentiality, (iii) has been independently acquired or developed by Recipient, (iv) was in the possession of or known to Recipient prior to the date of this Agreement, or (v) was disclosed by Recipient pursuant to a requirement of law, or in response to a court order, subpoena or governmental authority.

3. Non-Disclosure of Proprietary Information.

During the term of this Agreement, Recipient agrees to preserve and protect the confidentiality of the Proprietary Information and to use such Proprietary Information only in connection with the Proposed Transaction and not otherwise to the financial benefit of Recipient, and Recipient agrees to guard the Proprietary Information with the same standard of care it uses to protect its own confidential information; provided, however, Recipient may disclose the Proprietary Information to its directors, officers, employees and agents who are actually involved in the Proposed Transaction and who therefore require such information and to outside professional advisors who are similarly engaged and who similarly require such information (the persons to whom disclosure is permitted being referred to as "Representatives"). Prior to disclosure, each Representative to whom any Proprietary Information is to be disclosed must be advised by Recipient of its confidentiality and of the terms of this Agreement and must agree to be bound hereby. Recipient shall keep a written record, which written record shall be available to Steel City Telecom, of each Representative to which any of Steel City Telecom's Proprietary Information has been disclosed.

4. Legally Required Disclosure.

In the event that Recipient or any of its Representatives are requested or required (by oral questions, interrogatories, requests for information or documents in legal proceedings, subpoena, civil investigative demand or other similar process) to disclose any of the Proprietary Information, Recipient shall provide Steel City Telecom with prompt written notice of any such request or requirement so that Steel City Telecom may seek a protective order or other appropriate remedy and/or waive compliance with the provisions of this Agreement. If, in the absence of a protective order or other remedy or the receipt of a waiver by Steel City Telecom, Recipient or any of its Representatives are nonetheless, after consultation with and upon the advice of counsel, legally compelled to disclose the Proprietary Information or else stand liable for contempt or suffer other censure or penalty, Recipient or its Representative may, without liability hereunder, disclose only that portion of the Proprietary Information which such counsel advises Recipient is legally required to be disclosed, provided that Recipient exercise its reasonable best efforts to preserve the confidentiality of the Proprietary Information, including, without limitation, by cooperating with Steel City Telecom (at Steel City Telecom's sole cost and expense) to obtain an appropriate protective order or other reliable assurance that confidential treatment will be accorded the Proprietary Information.

5. Return of Proprietary Information.

Recipient agrees that if it decides not to proceed with Steel City Telecom with respect to the Proposed Transaction or if it or Steel City Telecom so requests at any time prior to the completion of any arrangement between the parties with respect to the Proposed Transaction, Recipient will promptly return to Steel City Telecom all documents containing any Proprietary Information which shall be delivered to NAS together with all copies of such documents.

6. No Obligation to Enter into the Proposed Transaction.

Nothing contained in this Agreement shall impose any obligation on any party hereto (i) to use, evaluate or analyze the Proprietary Information; (ii) to enter into discussions or negotiations with any other party hereto concerning the Proposed Transaction; or (iii) to consummate the Proposed Transaction or any financing in connection with the Proposed Transaction. No right or license is hereby granted to any party hereto by this Agreement to any copyright, trade secret or other intellectual property of another party hereto. Although the Proprietary Information contains information which Steel City Telecom believes to be relevant for purposes of the evaluation to be made regarding the Proposed Transaction, Steel City Telecom does not make any representation or warranty as to the accuracy or completeness of the Proprietary Information. Steel City Telecom shall not have any liability to Recipient relating to or arising from the use of the Proprietary Information.

7. Injunctive Relief.

The parties hereto agree that the Proprietary Information is unique and valuable such that a violation of the confidentiality and nondisclosure provisions of this Agreement by Recipient could cause substantial and irreparable harm to Steel City Telecom for which no adequate remedy at law exists and each party therefore agrees that, in addition to any other remedies available, Steel City Telecom shall be entitled to seek specific performance and other injunctive and equitable relief to enforce the terms of the confidentiality and nondisclosure provisions of this Agreement.

8. Non-Disclosure of Proposed Transaction.

During the term of this Agreement, Recipient agrees that without the prior written approval of Steel City Telecom, Recipient will not make, and Recipient will not permit anyone acting on its behalf to make, any public announcement or confirm any statements by third parties concerning the Proposed Transaction or any other matters in connection therewith, except as otherwise required by law, or in response to a court order, subpoena or governmental authority.

9. Governing Law.

The interpretations and application of this Agreement shall be governed by the laws of the United States as interpreted and applied by the federal or state courts in the United States of America, in the State of Pennsylvania. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Pennsylvania applicable to contracts to be wholly performed within such State of Pennsylvania. Any suit hereunder will be brought in the federal or state courts in the State of Pennsylvania and each party hereto submits to the personal jurisdiction and venue thereof.

10. Miscellaneous.

This document constitutes the entire Agreement and understanding among the parties hereto with respect to its subject matter and supersedes all prior negotiations and agreements. No amendment to this Agreement shall be valid unless it is in writing and signed by the affected party or an officer of the affected party, as the case may be. Although this Agreement shall not be assignable, this Agreement shall be binding upon the respective heirs, successors and assigns of the parties hereto. The failure of any party at any time to insist upon strict performance of any condition, promise, agreement or understanding set forth herein shall not be construed as a waiver or relinquishment of the right to insist upon strict performance of the same condition, promise, agreement or understanding at a future time. If any provision of this Agreement shall be held to be invalid or unenforceable, the same provision shall not affect in any respect whatsoever the validity or enforceability of the remainder of this Agreement. The obligations contemplated under this Agreement shall remain in effect for a period of the later of (a) the life of the Proprietary Information, or (b) ten (10) years after the date hereto.

IN WITNESS WHEREFORE, the parties have executed this Agreement as of the date first specified above.

Witness/Attest:

Recipient

By: _____

Name: _____

Title: _____

Date: _____

SCT-Steel City Telecom

By: _____

Name: _____

Title: _____

Date: _____

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