Exhibit (d)(3)  
 February 19, 2016  
 Gannett Co., Inc.  
0000 Xxxxx Xxxxxx Xxxxx  
XxXxxx, Xxxxxxxx 00000  
Attention: Chief Financial Officer  
 Re: Confidentiality Agreement  
 Ladies and Gentlemen:  
 In connection with the consideration of a possible negotiated business transaction (a “Possible Transaction”) between ReachLocal, Inc. (the “Company”) and Gannett Co. Inc. (“you;” each of you and the Company may be referred to herein as a “Party” and collectively as the “Parties”), the Company is prepared to make available to you and your Representatives (as hereinafter defined) certain information concerning the Company’s or its affiliates’ business, financial condition, operations, assets and liabilities. As a condition to such information being furnished to you, you agree that you will, and will cause your Representatives to, treat the Evaluation Material (as hereinafter defined) in accordance with the provisions of this letter agreement and take or abstain from taking certain other actions as set forth herein. The term “affiliates” has the meaning given to it under the Securities Exchange Act of 1934, as amended (the “1934 Act”). The term “Representatives” shall include your officers, managers, directors, general partners, affiliates, employees, counsel, accountants, financial advisors and consultants and, subject to (a) receipt of prior written consent of the Company and (b) compliance with Section 2 below, shall also include your potential sources of equity or debt financing (and their respective counsel). Notwithstanding any other provision hereof, the Company reserves the right not to make available hereunder any information, the provision of which is determined by it, in its sole discretion, to be inadvisable or inappropriate.  
 1. Evaluation Material. The term “Evaluation Material” shall mean all information relating, directly or indirectly, to the Company or its business, products, markets, condition (financial or other), operations, assets, liabilities, results of operations, cash flows or prospects (whether prepared by the Company, its advisors or otherwise) which is delivered, disclosed or furnished by or on behalf of the Company to you or your Representatives in connection with a Possible Transaction, whether, before, on or after the date hereof and regardless of the manner in which it is delivered, disclosed or furnished, or which you or your Representatives otherwise learns or obtains, to the extent a result of observation or analysis of such information, data or knowledge, and shall also be deemed to include all notes, analyses, compilations, studies, forecasts, interpretations or other documents prepared by you or your Representatives to the extent they contain or are based upon, in whole or in part, the information delivered, disclosed or furnished to you or your Representatives pursuant hereto. Notwithstanding any other provision hereof, the term Evaluation Material shall not include information which (i) is or becomes generally available to the public other than as a result of a disclosure by you or your Representatives in breach of this letter agreement, (ii) was within your possession on a non-confidential basis prior to it being furnished by or on behalf of the Company or any of its  
   
 Representatives, provided that the source of such information was not known by you or your representatives to be bound by a confidentiality agreement with, or other contractual, legal or fiduciary obligation of confidentiality to, the Company or any other party with respect to such information, (iii) was independently developed by you or your Representatives without violating any of your obligations hereunder, or (iv) becomes available to you or your Representatives on a non-confidential basis from a source other than the Company or any of its Representatives, provided that such source is not known by you or your Representatives to be bound by a confidentiality agreement with, or other contractual, legal or fiduciary obligation of confidentiality to, the Company or any other party with respect to such information.  
 2. Use and Disclosure of Evaluation Material. You recognize and acknowledge the competitive value and confidential nature of the Evaluation Material and the damage that would result to the Company if any information contained therein is disclosed to a third party. You hereby agree that you and your Representatives shall use the Evaluation Material solely for the purpose of evaluating a Possible Transaction and for no other purpose, that the Evaluation Material will be kept confidential, and that you and your Representatives will not disclose any of the Evaluation Material in any manner whatsoever; provided, however, that (i) you may make any disclosure of the Evaluation Material to which the Company gives its prior written consent and (ii) any of the Evaluation Material may be disclosed to your Representatives who need to know such information for the purpose of evaluating a Possible Transaction, who are provided with a copy of this letter agreement, and who agree to comply with the terms hereof. In any event, you agree to undertake reasonable precautions to safeguard and protect the confidentiality of the Evaluation Material, to accept responsibility for any breach of this letter agreement by you or any of your Representatives, and, at your sole expense, to take all reasonable measures to restrain yourself and your Representatives from prohibited or unauthorized disclosure or uses of the Evaluation Material.  
 In addition, you agree that, without the prior written consent of the Company, you and your Representatives will not disclose to any other person (other than your Representatives who need to know such information for the purpose of evaluating a Possible Transaction, who are provided with a copy of this letter agreement, and who agree to comply with the terms hereof) the fact that you or your Representative has received Evaluation Material or that Evaluation Material has been made available to you or your Representative, that investigations, discussions or negotiations are taking place concerning a Possible Transaction, or any of the terms, conditions or other facts with respect to any Possible Transaction, including the status thereof and the identity of the parties thereto (collectively, the “Discussion Information”). Without limiting the generality of the foregoing, you further agree that, without the prior written consent of the Company, you and your Representatives will not, directly or indirectly, consult or share Evaluation Material or Discussion Information with, or enter into any agreement, arrangement or understanding, or any discussions which might lead to any such agreement, arrangement or understanding, with any co-investor, source of equity financing or other person (other than the Company) regarding a Possible Transaction, including, without limitation, discussions or other communications with any prospective bidder for the Company with respect to (i) whether or not you or such other prospective bidder will make a bid or offer for the Company or (ii) the price that you or such other bidder may bid or offer for the Company. The term “person” as used in this letter agreement shall be broadly interpreted to include the media and any corporation, partnership, group, individual or other entity.  
   
 In the event that you or any of your Representatives is requested or required (by oral questions, deposition, interrogatories, requests for information or documents in legal proceedings, subpoena, civil investigative demand or other similar legal process or request of any governmental or regulatory authority) to disclose any of the Evaluation Material or Discussion Information, you shall provide the Company with prompt written notice of any such request or requirement to the extent permitted by law or the requesting entity so that the Company may in its sole discretion seek a protective order or other appropriate remedy and/or waive compliance with the provisions of this letter agreement. If, in the absence of a protective order or other remedy or the receipt of a waiver by the Company, you or any of your Representatives are nonetheless, in the opinion of outside legal counsel, legally compelled to disclose Evaluation Material or Discussion Information as described above in this paragraph, you or your Representatives may, without liability hereunder, disclose only that portion of the Evaluation Material or Discussion Information which such counsel advises is legally required to be disclosed, provided that you shall use your reasonable best efforts to preserve the confidentiality of the Evaluation Material and the Discussion Information, including, without limitation, by cooperating with the Company (at the Company’s expense) to obtain an appropriate protective order or other reliable assurance that confidential treatment will be accorded the Evaluation Material and the Discussion Information; and provided further that you shall promptly notify the Company, to the extent permitted by law or the requesting entity, of (i) your determination to make such disclosure and (ii) the nature, scope and contents of such disclosure.  
 3. Return and Destruction of Evaluation Material. In the event that you decide not to proceed with a Possible Transaction, you will promptly inform the Company of that decision. In that case, or at any time upon the request of the Company in its sole discretion and for any reason, except as required by law, regulation or legal process, you will as directed by the Company promptly (and in any case within seven days of the Company’s request) deliver, at your expense, to the Company or destroy all Evaluation Material (and any copies thereof) furnished to you or your Representatives by or on behalf of the Company. In the event of such a decision or request, all other Evaluation Material shall be returned or destroyed and no copy thereof shall be retained, and, upon the Company’s request, you shall provide the Company with prompt (and in any case within seven days of the Company’s request) written confirmation of your compliance with this paragraph; provided, however, that one copy of all Evaluation Material may be kept by your outside counsel and you shall not be required to delete or return any system back-up media such as copies of any computer records or files containing Evaluation Material which have been created pursuant to automatic archiving or back-up procedures on secured central storage servers and which cannot reasonably be deleted or returned. Notwithstanding the return or destruction of the Evaluation Material, you and your Representatives shall continue to be bound by your obligations of confidentiality and other obligations and agreements hereunder.  
 4. No Representations or Warranties. You understand, acknowledge and agree that neither the Company nor any of its Representatives makes any representation or warranty, express or implied, as to the accuracy or completeness of the Evaluation Material. You agree that neither the Company nor any of its Representatives shall have any liability to you or to any of your Representatives relating to or resulting from the use of the Evaluation Material or any errors therein or omissions therefrom. Only those representations or warranties which are made in a final definitive agreement regarding any transactions contemplated hereby, when, as and if  
   
 executed and delivered, and subject to such limitations and restrictions as may be specified therein, will have any legal effect.  
 5. No Solicitation. In consideration of the Evaluation Material being furnished to you, you hereby agree that, for a period of one year from the date hereof, neither you nor any of your affiliates or, at your direction, Representatives (nor any person acting on behalf of or in concert with you or any of your affiliates or Representatives) will, without the prior written consent of the Company, directly or indirectly, solicit to employ or actually employ any of the officers or employees of the Company (i) with whom you have had contact during your evaluation of a Possible Transaction or (ii) who were specifically identified to you by the Company or any of its Representatives during your evaluation of a Possible Transaction; provided, however, that you may solicit or employ such employees (i) through the use of general solicitations for employees in the ordinary course of business and consistent with past practice so long as such solicitations are not directed towards officers or employees of the Company and (ii) who have not been employed by the Company for six months at the time of solicitation or hiring.  
 6. Material Non-Public Information. You acknowledge and agree that you are aware (and that your Representatives are aware or, upon receipt of any Evaluation Information or Discussion Information, will be advised by you) that (i) the Evaluation Material being furnished to you or your Representatives contains material, non-public information regarding the Company and (ii) the United States securities laws prohibit any persons who have material, nonpublic information concerning the matters which are the subject of this letter agreement, including the Discussion Information, from purchasing or selling securities of a company which may be a party to a transaction of the type contemplated by this letter agreement or from communicating such information to any person under circumstances in which it is reasonably foreseeable that such person is likely to purchase or sell such securities in reliance upon such information.  
 7. Standstill. As of the date hereof, you hereby represent and warrant to the Company that neither you nor any of your affiliates, or any person with whom any of the foregoing may be deemed to be acting in concert with respect to the Company or its securities, owns any securities of the Company. You agree that during the Standstill Period, unless specifically invited in writing by the Board of Directors of the Company, neither you nor any of your affiliates or Representatives will in any manner, directly or indirectly: (a) effect or seek, offer or propose (whether publicly or otherwise) to effect, or announce any intention to effect or cause or participate in or in any way assist, facilitate or encourage any other person to effect or seek, offer or propose (whether publicly or otherwise) to effect or participate in, (i) any acquisition of any securities (or beneficial ownership thereof), or rights or options to acquire any securities (or beneficial ownership thereof), or any assets, indebtedness or businesses of the Company or any of its subsidiaries or affiliates, (ii) any tender or exchange offer, merger or other business combination involving the Company, any of the subsidiaries or affiliates or assets of the Company or the subsidiaries or affiliates constituting a significant portion of the consolidated assets of the Company and its subsidiaries or affiliates, (iii) any recapitalization, restructuring, liquidation, dissolution or other extraordinary transaction with respect to the Company or any of its subsidiaries or affiliates, or (iv) any “solicitation” of “proxies” (as such terms are used in the proxy rules of the Securities and Exchange Commission) or consents to vote any voting securities of the Company or any of its affiliates; (b) form, join or in any way participate in a “group” (as defined under the 0000 Xxx) with respect to the Company or otherwise act in concert with any  
   
 person in respect of any such securities; (c) otherwise act, alone or in concert with others, to seek representation on or to control or influence the management, Board of Directors or policies of the Company or to obtain representation on the Board of Directors of the Company; (d) take any action which would or would reasonably be expected to force the Company to make a public announcement regarding any of the types of matters set forth in (a) above; or (e) enter into any discussions or arrangements with any third party with respect to any of the foregoing. You also agree during such period not to request (in any manner that would reasonably be likely to cause the Company to disclose publicly) that the Company or any of its Representatives, directly or indirectly, amend or waive any provision of this paragraph (including this sentence).  
 The term “Standstill Period” means the period commencing on the date first written above and ending upon the earliest to occur of the following: (i) two years from the date hereof, (ii) the date on which the Company consummates a Business Combination; and (iii) the date on which the Company becomes insolvent, files for bankruptcy or reorganizes in connection with a bankruptcy or insolvency proceeding. A “Business Combination” shall mean a transaction in which (A) the Company issues securities representing 50% or more of its total voting power, or (B) the Company engages in a merger or other business combination such that the holders of voting securities of the Company immediately prior to the transaction do not own more than 50% of the voting power of securities of the resulting entity. Without otherwise limiting the foregoing, the parties agree that nothing in this Section 7 shall restrict you from making any proposal regarding the Possible Transaction directly to the board of directors of the Company on a confidential basis if such proposal does not require the Company to make a public announcement regarding this Agreement, the Possible Transaction or any of the matters described in this Section 7 and if you are invited by the Board of Directors of the Company, in accordance with the provisions of this paragraph, to make one or more proposals to or negotiate with the Company concerning a transaction, until such negotiations are terminated by either party, no such proposal or negotiations shall be deemed a breach by you of this paragraph.  
 8. No Agreement. You understand and agree that no contract or agreement providing for any Possible Transaction shall be deemed to exist between you and the Company unless and until a final definitive agreement has been executed and delivered, and you hereby waive, in advance, any claims (including, without limitation, breach of contract) in connection with any Possible Transaction unless and until you and the Company shall have entered into a final definitive agreement. You also agree that unless and until a final definitive agreement regarding a Possible Transaction has been executed and delivered, neither the Company nor you will be under any legal obligation of any kind whatsoever with respect to such a Possible Transaction by virtue of this letter agreement except for the matters specifically agreed to herein. You further acknowledge and agree that the Company reserves the right, in its sole discretion, to reject any and all proposals made by you or any of your Representatives with regard to a Possible Transaction, to determine not to engage in discussions or negotiations and to terminate discussions and negotiations with you at any time, and to conduct, directly or through any of its Representatives, any process for any transaction involving the Company or any of its subsidiaries, if and as they in their sole discretion shall determine (including, without limitation, negotiating with any other interested parties and entering into a definitive agreement without prior notice to you or any other person).  
 9. No Waiver of Rights. It is understood and agreed that no failure or delay by the Company in exercising any right, power or privilege hereunder shall operate as a waiver thereof,  
   
 nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege hereunder.  
 10. Remedies. It is understood and agreed that money damages would not be an adequate remedy for any breach of this letter agreement by you or any of your Representatives and that the Company shall be entitled to equitable relief, including, without limitation, injunction and specific performance, as a remedy for any such actual or potential breach. Such remedies shall not be deemed to be the exclusive remedies for a breach by you of this letter agreement but shall be in addition to all other remedies available at law or equity to the Company. You further agree not to raise as a defense or objection to the request or granting of such relief that any breach of this letter agreement is or would be compensable by an award of money damages, and you agree to waive any requirements for the securing or posting of any bond in connection with such remedy. In the event of litigation relating to this letter agreement, if a court of competent jurisdiction determines (in a judgment not subject to further appeal or for which the time for appeal has expired), that you or any of your Representatives have breached this letter agreement, then you shall be liable and pay to the Company the reasonable legal fees incurred by the Company in connection with such litigation, including any appeal therefrom. If such court determines (in a judgment not subject to further appeal or for which the time for appeal has expired) that neither you nor any of your Representatives have breached this letter agreement, then the Company will pay your reasonable legal fees incurred in connection with such litigation and any appeal therefrom.  
 11. Governing Law. This letter agreement is for the benefit of each of the Parties hereto (and each Party’s subsidiaries and affiliates) and its Representatives, and shall be governed by and construed in accordance with the laws of the State of Delaware applicable to agreements made and to be performed entirely within the State of Delaware, without regard to the conflict of law provisions thereof that would result in the application of the laws of any other jurisdiction. Each Party hereby irrevocably and unconditionally consents to submit to the exclusive jurisdiction of the courts of the State of Delaware and of the United States District Court for the District of Delaware for any actions, suits or proceedings arising out of or relating to this letter agreement and the transactions contemplated hereby.  
 12. Entire Agreement. This letter agreement contains the entire agreement between you and the Company regarding its subject matter and supersedes all prior agreements, understandings, arrangements and discussions between you and the Company regarding such subject matter, and shall not be subsequently limited, modified or amended by any “clickthrough” agreement relating to the confidentiality of the Evaluation Material agreed to by you in connection with your access to any data site maintained in connection with a Possible Transaction.  
 13. No Modification. No provision in this letter agreement can be waived, modified or amended except by written consent of you and the Company, which consent shall specifically refer to the provision to be waived, modified or amended and shall explicitly make such waiver, modification or amendment.  
 14. Counterparts. This letter agreement may be signed by facsimile and in one or more counterparts, each of which shall be deemed an original but all of which shall be deemed to constitute a single instrument.  
   
 15. Severability. If any provision of this letter agreement is found to violate any statute, regulation, rule, order or decree of any governmental authority, court, agency or exchange, such invalidity shall not be deemed to affect any other provision hereof or the validity of the remainder of this letter agreement, and such invalid provision shall be deemed deleted herefrom to the minimum extent necessary to cure such violation.  
 16. Inquiries. All inquiries for information about the Company and its subsidiaries and communications with the Company shall be made through Citigroup Global Markets Inc. Neither you nor any of your Representatives will contact any third party with whom the Company or any of its subsidiaries has a business or other relationship (including without limitation any director, officer, employee, customer, supplier, stockholder or creditor of the Company or any of its subsidiaries) in connection with a Possible Transaction without the Company’s prior written consent.  
 17. Successors. This letter agreement may not be assigned by any party without the prior written consent of the other party, provided that without your prior written consent, the Company may assign and/or delegate any of its rights or obligation or any interest therein hereunder to any purchaser in connection with the consummation of a Business Combination. This letter agreement shall inure to the benefit of, and be enforceable by, the Company and its successors and permitted assigns.  
 18. No License. Nothing herein shall be deemed to grant a license, whether directly or by implication, estoppel or otherwise, to any Evaluation Material.  
 19. Term. This letter agreement will terminate two years from the date hereof, provided that if you retain Evaluation Materials after such date, the confidentiality, use and non-disclosure obligations of you and your Representatives shall survive thereafter until four years from the date hereof.  
 [Signature Page Follows]  
   
 Please confirm your agreement with the foregoing by having a duly authorized officer of your organization sign and return one copy of this letter to the undersigned, whereupon this letter agreement shall become a binding agreement among you and the Company.  
 Very truly yours,  
 ReachLocal, Inc.  
 By:  
/s/ Xxxx X. Xxxxxxxxx  
 Name:  
Xxxx X. Xxxxxxxxx  
 Title:  
CFO  
 CONFIRMED AND AGREED  
 as of the date written above:  
 GANNETT CO. INC.  
 By:  
/s/ Xxxx Xxxx  
 Name:  
Xxxx Xxxx  
 Title:  
V.P. Corporate Development