

MUTUAL NON-DISCLOSURE AGREEMENT

This is an agreement between **California Business Machines** located at **4260 N. Fresno St. Fresno CA 93726** and _____, located at _____ involving the material exchange of confidential information and shall be effective (date) ___/___/___.

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Each party (the "Receiving Party") understands that the **other party** (the "Disclosing Party") has disclosed or may disclose information including, without limitation, computer programs, code, algorithms, know-how, formulas, processes, ideas, inventions (whether patentable or not), and other technical, business, financial and product development plans, forecasts, strategies and information, which to the extent previously, presently, or subsequently disclosed to the Receiving Party, is hereinafter referred to as "Proprietary Information" of the Disclosing party. **All Proprietary Information shall be protected and safeguarded if it is (a) marked as the Disclosing Party's confidential or proprietary information (or with an equivalent legend) at the time of disclosure, if disclosed in tangible form; or (b) identified as Proprietary Information at the time of disclosure. Notwithstanding the failure of the Disclosing Party to mark information as confidential or proprietary as described above, information that, by its very nature, or under the particular circumstances of disclosure, should reasonably be understood to be confidential or proprietary, shall be deemed to be Proprietary Information.**

In consideration of the parties' discussions and access the Receiving Party may have to Proprietary Information of the Disclosing Party, the Parties hereby agree as follows:

1. The Receiving Party agrees (i) to hold the Disclosing Party's Proprietary Information in confidence and to take all necessary precautions to protect such Proprietary Information including, without limitation, all precautions the Receiving Party employs with respect to its own confidential materials, (ii) not to divulge any such Proprietary Information or any information derived therefrom to any third person, (iii) not to make any use of such Proprietary Information, except to: Evaluate if certain confidential information from both parties to determine whether we can bring both our technologies together to both our benefits., and (iv) not to copy or reverse engineer, or attempt to derive the composition or underlying information of any such Proprietary Information.
2. The Receiving Party further agrees to limit the use of and access to the Disclosing Party's Proprietary Information to the Receiving Party's employees who need to know such Proprietary Information for said purposes and shall cause such employees to comply with the obligations set forth herein.
3. The Disclosing Party agrees that the foregoing obligations shall not apply with respect to information that (i) was in the possession of the Receiving Party or known by it prior to receipt from the Disclosing Party, or (ii) was rightfully disclosed to the Receiving Party by another person without restriction, or (iii) was independently developed by the Receiving Party without access to such Proprietary Information, or (iv) is required to be disclosed pursuant to any statutory or regulatory authority or court order, provided the Receiving Party has given the Disclosing Party prompt notice of such requirement and the opportunity to contest it.
4. Immediately upon a request by the Disclosing Party at any time, the Receiving Party will turn over to the Disclosing Party all Proprietary Information of the Disclosing Party and all documents or media containing

any such Proprietary Information and all copies or extracts thereof and will promptly and permanently delete any Proprietary Information which is electronically or optically recorded or stored.

5. The Receiving Party acknowledges and agrees that due to the unique nature of the Disclosing Party's Proprietary Information, there can be no adequate remedy at law for any breach of its obligation hereunder, that any such breach may allow the Receiving Party or third parties to unfairly compete with the Disclosing Party resulting in irreparable harm to the Disclosing Party, and therefore, that upon any such breach or any threat thereof, the Disclosing Party shall be entitled to seek appropriate equitable relief in addition to whatever remedies it might have at law. The Receiving Party will notify the Disclosing Party in writing immediately upon the occurrence of any such unauthorized release or other breach. In the event that any of the provisions of this Agreement shall be held by a court or other tribunal of competent jurisdiction to be unenforceable, the remaining portions hereof shall remain in full force and effect.

6. Neither party acquires any intellectual property rights under this Agreement or any disclosure hereunder, except the limited right to use such Proprietary Information in accordance with this Agreement.

7. NO WARRANTIES OF ANY KIND (INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE) ARE GIVEN WITH RESPECT TO THE PROPRIETARY INFORMATION DISCLOSED OR USED UNDER THIS AGREEMENT, AND NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR DAMAGES ARISING OUT OF OR CAUSED BY DEFECTS OR DEFICIENCIES IN THE PROPRIETARY INFORMATION OF EITHER PARTY, WHETHER DIRECT, INCIDENTAL, CONSEQUENTIAL OR OTHERWISE.

8. This Agreement supersedes all prior discussions and writings and constitutes the entire agreement between the parties with respect to the subject matter hereof. No waiver or modification of this Agreement will be binding upon either party unless made in writing and signed by a duly authorized representative of such party, and no failure or delay in enforcing any right will be deemed a waiver. The obligations of non-use and non-disclosure shall survive for a period of 3 years from the date of disclosure of the Proprietary Information. This Agreement shall be governed by the laws of the State of California and may be enforced in any court in California.

9. This Mutual Non-Disclosure Agreement shall be signed on behalf of **California Business Machines** by _____ and on behalf of (client company name) _____ by (client contact name) _____, (position) _____.

By: _____

Date: _____

California Business Machines

By: _____

Date: _____

Company Name: _____