# CONFIDENTIAL DISCLOSURE AGREEMENT BETWEEN

and <i>(Name)</i>	
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Effective Date:		

## 1. Participants

- 1.1. In order to protect Confidential Information which may be disclosed between them, \_\_\_\_\_, and (Name), Inc. agree that:
- Under the terms of this Agreement Confidential Information will be disclosed by both parties.
- A party disclosing Confidential Information under this Agreement is referred to herein as the Discloser.
- A party receiving Confidential Information under the Agreement is referred to herein as the Recipient.

# 2. Scope of Disclosure

2.1. "Confidential Information" shall be defined as information disclosed under this Agreement which includes, but is not limited to, computer software (in object code or source code form), technical data, trade secrets or know-how, product plans, products, database information services, inventions, developments, processes, technology, designs, engineering, hardware configuration information, marketing, financial information, customer lists, business plans, business strategies or other business information.

#### 3. Use of Confidential Information

3.1. Confidential Information disclosed under this Agreement shall be used only for the purpose of **the parties** negotiating a business opportunity of mutual interest.

#### 4. Duration of Protection

4.1. Recipient shall have a duty to protect Confidential Information of the Discloser for a period of five (5) years from the date of receipt.

# 5. Duty to Protect

- 5.1. Recipient shall protect the disclosed Confidential Information by using the same degree of care (but no less than a reasonable degree of care) to prevent the unauthorized use, dissemination or publication of the Confidential Information as the Recipient uses to protect its own Confidential Information of a similar nature.
- 5.2. Recipient shall not disclose any Confidential Information to any person or entity other than its officers, employees, consultants, and legal advisors who need access to such Confidential Information, and shall assure that all such persons treat the Confidential Information in accordance with all of the terms hereof.
- 5.3. Recipient shall only make copies of Confidential Information that are necessary to accomplish the business purposes under consideration, unless previously approved by Discloser.
- 5.4. Recipient shall not reverse engineer, disassemble or decompile any software, prototypes or other tangible objects which embody Confidential Information.

## 6. Material to be Protected

- 6.1. Disclosure of Material: Recipient shall have a duty to protect only that Confidential Information which:
  - 6.1.1. is disclosed by the Discloser in writing and is marked confidential at the time of disclosure, or 6.1.2. is disclosed by the Discloser in any other manner and is identified as confidential at the time of disclosure, and is subsequently summarized and designated as confidential in a writing to the Recipient within thirty (30) days of disclosure.
- 6.2. <u>Return of Material</u>: All documents and other tangible objects containing or representing Confidential Information and all copies thereof which are in the possession of Recipient, shall be and remain the property of Discloser, and shall be returned to Discloser upon request, within five (5) business days.

## 7. Excluded Information

- 7.1. This Agreement imposes no obligation upon a Recipient with respect to Confidential Information which:
  - was in the Recipient's possession before receipt from the Discloser;
  - is or becomes a matter of public knowledge through no fault of the Recipient;
  - is disclosed by the Discloser to a third party without a duty of confidentiality placed on the third party;
  - is disclosed without restriction to the Recipient by a third party having the right to disclose same;

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- is independently developed by the Recipient without use of or reference to Discloser's Confidential Information:
- is required to be disclosed under operation of law, provided that Recipient gives the Discloser prompt written notice of such requirement prior to such disclosure and assistance (at Discloser's expense) in obtaining an order protecting the information from public disclosure.

# 8. Right to Make Disclosure

8.1. Each Discloser warrants that it has the right to make the disclosures pursuant to this Agreement.

# 9. Rights and Obligations

- 9.1. The rights and obligations of the Parties with respect to Confidential Information shall be defined exclusively by the terms of this Agreement.
- 9.2. Neither Party acquires any intellectual property rights of the other Party under this Agreement except the limited right to use set forth in Paragraph 3 above.
- 9.3. Neither Party has an obligation under this Agreement to purchase any service or item from the other Party.
- 9.4. The Parties do not intend that any agency or partnership relationship be created between them by this Agreement.

## 10. Amendments

10.1. All additions or modifications to this Agreement must be made in writing and must be signed by an authorized representative of each Party.

# 11. Controlling Law

11.1. This Agreement is made under and shall be construed according to the Laws of the State of

## 12. Disclosure Period

- 12.1. The period for disclosing confidential information under this Agreement expires on June 30, 2000, unless the parties enter into any business transaction governed by a written agreement before that date, in which case, the period for disclosing confidential information will continue until such agreement expires.
- 12.2. This Agreement may be terminated by either Party by giving thirty (30) days notice in writing to the other Party.
- 12.3. Notwithstanding Sections 12.1 and 12.2 above, the duty to protect Confidential Information shall continue through the period specified in Paragraph 4.

## 13. Other Agreements

13.1. Unless expressly agreed otherwise in an instrument in writing signed by an authorized representative of each Party hereto, nothing in this Agreement shall supersede or in any way modify any of the terms and conditions, or the rights and obligations of the Parties, included in any other agreements, including any purchase agreement(s), between the Parties.

## 14. Merger and Severability

14.1. This Agreement constitutes the entire understanding and agreement between the Parties relating to the subject matter hereof and supersedes and cancels any and all previous or collateral agreements, negotiations, commitments, representations or understandings between the Parties with respect to this Agreement and the subject matter hereof. If any of the provisions of this Agreement are determined to be invalid under applicable law, they are, to that extent, deemed omitted. The invalidity of any portion of the Agreement shall not render any other portion invalid.

	(Name)
By:	Ву:
Name:	Name:
Title:	Title:

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