



## MUTUAL NON-DISCLOSURE AGREEMENT





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This Mutual Nondisclosure Agreement ("Agreement") is made as of the effective date of Client Information Form by and between Renaissance Systems, Inc., located at 11149 Research Blvd., Ste. 365, Austin, TX 78759 (hereinafter RSI) and Company as stated and signed in the Client Information Form, and herein after "Company".

"RSI", and collectively with Company, the "Parties" hereby agree to the following:

In order to promote discussions with respect to a possible business relationship and/or transaction, the Parties may provide Confidential Information to each other, in writing and orally, concerning their products, technologies, business plans, capabilities, and other matters. A Party receiving Information under this Agreement is referred to as "Recipient," and a Party disclosing Confidential Information is referred to as "Discloser." In order to encourage such discussions while protecting their Confidential Information, the Parties agree as follows:

1. <u>Confidential Information</u>. For purposes of this Agreement, "Confidential Information" shall mean all confidential, trade secret, and proprietary information of Discloser, including any nonpublic information relating to the Discloser's technology, customers, business plans and strategies, promotional and marketing activities, finances and other business affairs, and any third party information that the Discloser is otherwise obligated to keep confidential, and that: (i) is disclosed to Recipient in writing or other tangible form and marked in a manner to indicate that it is considered by the Discloser as Confidential Information; or (ii) is disclosed to Recipient orally or in other non-tangible form and that is identified as Confidential Information at the time of disclosure. Unless otherwise stipulated by both Parties, Confidential Information includes the fact of the discussions between the Parties that gave rise to this Agreement.

Information will not be considered Confidential Information if it: (i) is in or comes into the public domain without breach of this Agreement, whether before or after disclosure by Discloser; (ii) can be shown by documentation to have been independently developed by or on behalf of the Recipient without reference to any Confidential Information furnished under this Agreement; or (iii) is received from a third party who did not acquire or disclose such information by a wrongful or tortious act. Any disclosure of Confidential Information with information that is not Confidential Information shall not affect the status of the Confidential Information, nor shall it then be deemed to qualify under any of the exclusions described above by virtue of such combination.

2. <u>Nondisclosure</u>. Each Party will: (i) maintain Discloser's Confidential Information in confidence, exercising a degree of care not less than the care used by Recipient to protect its own Confidential Information, which in no event shall be less than a reasonable standard of care; (ii) not use such Confidential Information other than in connection with the possible arrangements being discussed under this Agreement; (iii) not disclose this information to any person not expressly authorized by this Agreement and by the Recipient to receive the Confidential Information confidential; and (v) not disclose such information to any person other than those allowed hereunder without the express, written consent of Discloser.

3. <u>Authorized Recipients</u>. Recipient is authorized to provide Discloser's Confidential Information to its corporate directors and officers. Recipient is also authorized to provide such Confidential Information to particular employees and other representatives, including accounting, audit, financial and legal representatives (collectively, "Personnel") who: (i) have a need to know Confidential Information in connection with the Parties' potential business relationship, or (ii) where not employees of Recipient, have ethical duties of nondisclosure or have executed written nondisclosure agreements obligating them to protect the Confidential Information. Recipient shall ensure that its Personnel comply with this Agreement and their respective nondisclosure agreements.



4. **Disclosure Compelled by Law**. In the event that Recipient: (i) is threatened or served with an action or motion to force disclosure of Confidential Information, or (ii) is compelled to disclose Confidential Information by valid order of a court or other government entity with the authority to compel the disclosure of such information, Recipient will notify Discloser in writing, as promptly as reasonably practicable (and prior to making any disclosure if possible), in order to provide Discloser the opportunity to intervene and object to, or seek limitations, conditions or restrictions on the disclosure of such Confidential Information. If, nevertheless, the Confidential Information is ordered to be disclosed, Recipient shall furnish only that portion of the Confidential Information as to which the Recipient receives a reasonable opinion of its counsel that such portion of the Confidential Information is legally required to be disclosed.

5. **Notice to Provider of Unauthorized Use**. Recipient will notify Discloser immediately upon discovery of any unauthorized use or disclosure of Confidential Information or any other breach of this Agreement by Recipient. Recipient will cooperate with Discloser in every reasonable way to help Discloser regain possession of such Confidential Information and prevent its further unauthorized use.

6. <u>Term of Agreement and Termination</u>. The term of this Agreement shall be Twenty-Four (24) months from the date set forth above. The Parties may agree in writing to extend the term of this Agreement. Notwithstanding anything herein to the contrary, either Party also may terminate this Agreement upon ninety (90) days' written notice, but such termination shall not affect the obligation of a Party with respect to any Confidential Information that it has received.

7. **Duration of Confidentiality Obligation; Survival on Termination**. Notwithstanding anything herein to the contrary, the obligation of a Party not to disclose Confidential Information provided to it hereunder shall survive the termination of this Agreement for eighteen (18) months, so long as such Confidential Information has not become part of the public domain as the result of any lawful act of any third party.

8. <u>Ownership and Return of Confidential Information</u>. All Confidential Information remains the property of Discloser and/or its licensors. Recipient will return or destroy all tangible materials embodying Confidential Information (in any form and including, without limitation, all summaries, copies and excerpts of Confidential Information) within fifteen (15) days following Discloser's written request, and will retain no summaries, copies or excerpts, nor will it allow any such data to remain in the hands of any employee, representative or other person who received such Confidential Information from Recipient, and who has no legal right to maintain it. Upon Discloser's written request, Recipient will provide written certification of its compliance with this paragraph executed by a corporate officer of Recipient.

9. <u>No Implied Agreements</u>. Neither this Agreement, nor the receipt or disclosure of Confidential Information under this Agreement, nor the Parties' ongoing discussions and correspondence, shall constitute or imply a commitment or binding obligation between the Parties to enter into any business relationship or transaction. If the Parties elect to enter into a binding commitment, such commitment will be explicitly stated in a separate written agreement executed by both Parties. Neither this Agreement nor the disclosure of Confidential Information will constitute an express or implied grant to Recipient of any rights to or under Discloser's patents, copyrights, trade secrets, trademarks or other intellectual property except for the purposes expressly set forth in this Agreement.

10. **Independent Development(s).** Discloser understands that Recipient may currently, or in the future be developing information internally, or receiving information from other Parties that may be similar to Discloser's information. Accordingly, nothing herein will be construed as a representation or inference that Recipient will not develop products, concepts, systems or techniques that are similar to or compete with the products, concepts, systems or techniques contemplated by or embodied in the Confidential Information, provided that Recipient does not violate any of its obligations under this Agreement.

11. <u>No Export</u>. The Both parties shall adhere to U. S. Export Administration Laws and Regulations and shall not export or re-export any technical data or products received from the other party or any direct product of such technical data to any country unless explicitly authorized by the other party or



to any proscribed country listed in the U. S. Export Administration Regulations explicitly authorized by the U. S. Government and the disclosing party.

12. **No Representation or Warranty**. Each Party (i) acknowledges that neither makes any representation or warranty (express or implied) as to the accuracy or completeness of any Confidential Information, and (ii) agrees to assume full responsibility for all conclusions it may derive from the Confidential Information. Each Party hereby expressly disclaims any and all liability that may be based, in whole or in part, on any Confidential Information, or any errors or omissions therein.

13. Irreparable Harm; Remedies for Breach. Each Party agrees that any breach or threatened breach of this Agreement may cause irreparable harm to the other Party for which monetary damages may be difficult to ascertain or an inadequate remedy, entitling the other Party to seek injunctive relief. In the event of breach, the Parties shall have all rights and remedies provided under governing law, including but not limited to the right to seek and obtain affirmative and/or negative injunctive relief, without the need to post any bond, and to seek and obtain compensatory damages caused by the breach or wrongful act of the other, subject only to the limitation that no Party shall be entitled to seek or collect punitive damages from the other. In the event that either Party initiates a formal legal proceeding in which it asserts the breach of this Agreement by the other, then the prevailing Party in that proceeding shall be entitled to collect, in addition to costs of that action, its reasonable attorney's fees incurred in connection with such legal proceeding.

14. **<u>Governing Law</u>**. This Agreement shall be governed by and construed in all respects in accordance with the laws of the State of Texas, regardless of principles of conflicts of laws.

15. <u>Severability</u>. If a provision of this Agreement is held invalid under any applicable law, such invalidity will not affect any other provision of this Agreement that can be given effect without the invalid provision. Further, all terms and conditions of this Agreement will be deemed enforceable to the fullest extent permissible under applicable law, and, when necessary, the court is requested to reform any and all terms or conditions to give them such effect.

16. **Entire Agreement**. This Agreement constitutes the entire Agreement between the Parties hereto with respect to the subject matter hereof and may not be modified, altered, or changed except by an instrument in writing executed by the Parties. Each Party's obligations hereunder are in addition to, and not exclusive of, any and all of its other obligations and duties to the other Party, whether express, implied, in fact or in law.

17. <u>Electronic/Digital and Facsimile Signatures</u>. This Agreement may be executed and delivered via electronic or digital means or by telecopier or other facsimile transmission all with the same force and effect as if the same was a fully executed and delivered original manual counterpart.