



## MUTUAL NON-DISCLOSURE AGREEMENT

THIS MUTUAL NON-DISCLOSURE AGREEMENT ("Agreement") is executed on this \_\_\_ day of \_\_\_\_\_ 20\_\_\_, by and between Micron Laser Technology, Inc., an Oregon corporation, having its principal place of business at 5560 NE Wagon Dr., Hillsboro, Oregon 97124, ("MLT") and \_\_\_\_\_, a(n) \_\_\_\_\_ corporation, having its principal place of business at \_\_\_\_\_ ("Company"). For the purposes of this Agreement, "MLT" and "Company" shall be deemed to include any parent, direct or indirect subsidiary, affiliate of, or entity under common control with any entity constituting MLT or the Company.

In connection with the potential business relationship between MLT and Company (the "Relationship"), each party may furnish to the other party certain confidential and proprietary information. The parties desire to protect such confidential and proprietary information. Now, therefore, the parties agree as follows:

**1. Confidential Information.** For purposes of this Agreement, the term "Confidential Information" shall mean all information, materials or concepts confidential or proprietary to a party (the "disclosing party") relating to its business, products or customers which is received or learned by the other party (the "receiving party") or any of receiving party's employees, officers, directors, representatives or agents (collectively, "Representatives") through or as a result of the receiving party's relationship with the disclosing party or access to the disclosing party's premises or personnel. Confidential Information includes, but is not limited to, the following types of information and other information of a similar nature (whether received in writing, orally, visually, electronically or by any other means and whether received before or after the date hereof): patents, patent applications, trade secrets, inventions, discoveries, ideas, concepts, methods, techniques, "know-how," processes, procedures, designs, devices, drawings, materials, specifications, algorithms, software programs, software source documents, models, studies, data, documentation, diagrams, research, improvements, development plans, products, customer lists, pricing, sales and marketing plans, business forecasts, and financial information of or relating to the disclosing party or similar information provided by disclosing party relating to a third party (such as the disclosing party's customers or suppliers), as well as all copies, summaries, analyses, compilations, forecasts, studies or other documents prepared by receiving party or its Representatives in connection with the Relationship to the extent such materials incorporate or are specific to information received from disclosing party. Confidential Information shall be clearly marked with proprietary legends of the disclosing party at the time of disclosure. If Confidential Information is orally or visually disclosed, it shall be reduced to writing and clearly marked with proprietary legends by disclosing party within 30 days of disclosure. All of the protections and restrictions in this Agreement as to the use and disclosure of Confidential Information shall apply during such 30-day period. Notwithstanding the foregoing, any information or material which by its nature and under the circumstances surrounding its disclosure is generally considered proprietary and confidential shall be deemed Confidential Information regardless of whether it is properly marked with legends or properly reduced to writing.

**2. Excluded Information.** Notwithstanding any provision of this Agreement, Confidential Information shall not include information that: (i) was independently developed by or for the receiving party without use of the disclosing party's Confidential Information, in whole or in part, as demonstrated by written evidence; (ii) is or becomes generally available to the public without breach of confidentiality obligations by the receiving party; (iii) was in the receiving party's possession or was known by the receiving party without restriction at the time of disclosure by disclosing party, as demonstrated by written evidence; or (iv) is lawfully received by the receiving party on a nonconfidential basis from a third party without breach by such third party of any legal, contractual, or fiduciary obligation to the disclosing party. However, Confidential Information disclosed under this Agreement shall not be considered within the foregoing exception merely because (a) it is specific and embraced by more general information in the public domain or receiving party's prior possession, or (b) it is a combination which can be pieced together to reconstruct the Confidential Information from multiple sources, none of which shows the whole combination, its principle(s) of operation or method(s) of use. The burden of proving the existence of facts that would qualify information under this paragraph shall rest with the receiving party.

**3. Obligations of the Parties.** Each of MLT and Company and its respective Representatives (i) will hold the Confidential Information in strict confidence and use its reasonable best efforts to prevent the unauthorized disclosure of the Confidential Information; (ii) will not disclose the Confidential Information in any manner whatsoever, except as required by applicable law, regulation or legal process, and only after compliance with paragraph 4 below; (iii) will use the Confidential Information only for the purpose of evaluating or undertaking the Relationship and for no other purpose; (iv) will not copy (except as necessary for the purpose of the Relationship and provided that all proprietary legends appear on any copies), reproduce, modify, alter, disassemble, reverse engineer or decompile any of the Confidential Information; and (v) will provide access to the Confidential Information to only those of its Representatives who have a need to know the Confidential Information in connection with the Relationship and who agree to act in accordance with this Agreement. Each party agrees to use its reasonable best efforts to cause its Representatives to observe the terms of this Agreement, and each party will be responsible for any breach of this Agreement by any of its Representatives.



**4. Certain Permitted Disclosure.** In the event that either party or any of its Representatives are requested pursuant to, or required by, applicable law, regulation or legal process to disclose any of the Confidential Information, such party will notify the other party promptly in writing of such request or requirement and the documents or Confidential Information requested, so that the other party may seek a protective order or other appropriate remedy or, in its sole discretion, waive compliance with the terms of this Agreement. In the event that no such protective order or other remedy is obtained, or that the other party does not waive compliance with the terms of this Agreement, such party will furnish only that portion of the Confidential Information which it is reasonably advised by its counsel is legally required and will exercise all reasonable efforts to obtain reliable assurance that confidential treatment will be accorded the Confidential Information to the extent possible.

**5. Independent Development.** The parties acknowledge that each party may be independently developing, designing, manufacturing or selling products that incorporate technologies similar to those of the other party. Nothing in this Agreement shall restrict either party from continuing to develop, design, manufacture and sell such products, so long as it does not use the other party's Confidential Information, in whole or in part.

**6. Return of Information.** Upon disclosing party's request, the receiving party shall either promptly return to disclosing party all the Confidential Information or certify to disclosing party that all media containing Confidential Information has been destroyed. An archival copy may be retained in the files of the receiving party's legal counsel, solely for the purpose of proving the contents therein.

**7. No Obligation Regarding Relationship.** Neither this Agreement nor the disclosure or receipt of Confidential Information will constitute or imply any promise to or intention to make any purchase or sale of products or services by either party or any commitment by either party with respect to the present or future marketing or sale of any product or service. Each party may conduct the process leading up to the potential Relationship as it determines, in its sole discretion, and may negotiate with other third parties and enter into an agreement relating to a similar relationship without prior notice to the other party. Unless and until a written definitive agreement concerning the Relationship has been executed, neither party nor any of its Representatives will have any liability to the other party with respect to the Relationship (other than liability for breach of this Agreement), whether by virtue of this Agreement, or any other written or oral expression with respect to the Relationship or otherwise. This Agreement is not intended to be, nor will it be considered a joint venture, partnership, fiduciary relationship or other business relationship and neither party will have the right or obligation to share any of the profits or bear any of the risks or losses of the other party. Each party shall act as an independent contractor and not as an agent of the other party for any purpose whatsoever and neither party shall have any authority to bind the other party except as expressly set forth herein.

**8. Remedies; Legal Fees.** Each party, as a receiving party, acknowledges that remedies at law would be inadequate to protect the disclosing party against any actual or threatened breach of this Agreement by such receiving party, and without prejudice to any other rights and remedies otherwise available, each party agrees that the disclosing party shall be entitled to seek injunctive relief. While the receiving party shall be entitled to oppose such relief, each party agrees that it will not assert a claim that money damages would be an adequate remedy for any such actual or threatened breach. In the event of a final, nonappealable order of a court of competent jurisdiction in any action, suit or proceeding relating to this Agreement, the prevailing party shall be entitled to recover its reasonable attorneys' fees and related costs and expenses from the nonprevailing party.

**9. No Creation of Ownership Rights or License.** The Confidential Information shall be deemed the exclusive property of the disclosing party and shall remain the valuable scientific, trade and engineering secrets of the disclosing party. Nothing in this Agreement, nor any action taken by either party shall be construed to convey to either party any right, title or interest in the Confidential Information, or any license to use (except as expressly stated herein), sell, exploit, copy or further develop in any way any Confidential Information. No license is hereby granted or implied under any patent, copyright or trademark, any application for any of the foregoing, or any trade name, trade secret or other proprietary information, in which the disclosing party has any right, title or interest.

**10. Warranty and Exclusions.** Each party warrants that it has the right to make the disclosure of the Confidential Information contemplated by this Agreement. In providing the Confidential Information under this Agreement, the disclosing party makes no representation or warranty, either express or implied, as to its adequacy, sufficiency, or freedom from defect of any kind, including freedom from any patent or other intellectual property infringement that may result from the use of such Confidential Information, and the disclosing party shall not incur any responsibility or obligation whatsoever by reason of such Confidential Information.

**11. Export Regulations.** Confidential Information disclosed hereunder may be subject to United States export control laws and/or regulations promulgated thereunder. No technical data shall be exported from the United States, re-exported, or disclosed to any foreign national, nation, firm, or country, including foreign nationals employed by or associated with either party, without first complying with all requirements of the International Traffic in Arms Regulation (ITAR) or the Export Administration Regulation (EAR), including the requirement for obtaining an export license, if applicable. The receiving party shall first obtain the written consent of the disclosing party prior to submitting any request for authority to export any such technical data. The receiving party shall indemnify and hold the disclosing party harmless for all claims, demands, damages, costs, fines, penalties, attorney's fees, and all other expenses arising from failure of the receiving party to comply with this clause or the ITAR and EAR.



**12. No Solicitation.** Each party agrees that, for a period of one year from the date of this Agreement, it will not, directly or through its Representatives, solicit for employment any employee of the other party with whom it has had contact or who became known to such party in connection with the Relationship; provided, however, that the foregoing provision will not prevent either party from placing general advertisements for employment which are not specifically directed to, or intended to encourage response from, the other party's employees.

**13. Term.** The obligations of confidentiality and restrictions on use of Confidential Information under this Agreement shall continue for a period of three (3) years following the date of receipt of each disclosure of Confidential Information hereunder.

**14. Governing Law.** This Agreement shall be construed under and according to the laws of the State of Oregon without regard to its conflict of law provisions. The parties agree that jurisdiction and venue for any actions relating to this Agreement will be in the state or federal courts located in the County of Washington, State of Oregon. Each party hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in County of Washington, State of Oregon, for the adjudication of any dispute hereunder or in connection herewith and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of any such court, or that such suit, action or proceeding is improper.

**15. Severability.** If any provision or portion of this Agreement is held invalid, illegal, void or unenforceable by reason of any rule of law, administrative or judicial provision or public policy, all other provisions of this Agreement shall nevertheless be construed so as to remain in full force and effect.

**16. No Waiver.** Each party agrees that no failure or delay by the other party in exercising any right, power or privilege hereunder will operate as a waiver thereof, nor will any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any right, power or privilege hereunder.

**17. Entire Agreement.** This Agreement shall supersede all prior agreements and contains the entire agreement between the parties concerning the confidentiality of the Confidential Information. No modifications of this Agreement or waiver of the terms and conditions hereof will be binding upon the parties, unless approved in writing by each of the parties.

**18. Counterparts.** This Agreement may be executed in one or more counterparts, and by the different parties hereto in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement by their duly authorized officers or representatives as of the date first above written.

**Micron Laser Technology, Inc.**

**Company:** \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Signature: \_\_\_\_\_

By: \_\_\_\_\_