

NON-DISCLOSURE AGREEMENT

between

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and

**Leopold K O S T A L
GmbH & Co. KG
Wiesenstr. 47
58507 Lüdenscheid
Germany**

- both referred to in the following as **PARTNERS** -

For the purpose of establishing business relations and transacting business it is necessary for trade secrets and/or technical know-how, documents, drawings, plans, articles, etc. (hereinafter referred to as "INFORMATION") to be disclosed which encompass details and relationships which are not well known technology standard, including patentable inventions. To ensure that improper use of the INFORMATION received is excluded to the greatest possible extent, the PARTNERS undertake as follows:

1. Any INFORMATION obtained by either PARTNER from the other PARTNER shall be treated strictly confidentially as if they were their own trade secrets. Without the previous written consent of the other PARTNER such INFORMATION may not be passed on to third parties nor employed for other customers nor for industrial purposes outside the contractual relationship between the PARTNERS.
2. Third parties means not such companies, which are related to a PARTNER (e.g. subsidiaries as defined likewise in Germany's Corporation Act § 15 AktG) and employees and suppliers, which are necessarily involved for the reason of fulfilling the contractual duties, if they are bind to this NON-DISCLOSURE AGREEMENT or in the same kind.
3. Any INFORMATION which is already public knowledge or otherwise legally accessible to the other PARTNER at the time it is disclosed by the one PARTNER to the other PARTNER or his employees and representatives is not restricted by this confidential agreement. In the event of any dispute, the burden of proof rests with that PARTNER who asserts any of the exclusions in his favour.
4. The obligation will be extended in the same kind to all employees and appointed representatives who may become acquainted with the INFORMATION, regardless of the type and legal designation of their occupation. Both PARTNERS will advise the above mentioned persons and commit them accordingly. They will endeavour to

keep the circle of employees involved to a minimum in the interests of protecting confidential information.

5. The PARTNER, who is receiving INFORMATION from the other PARTNER, is not entitled to derive any licensing, reproduction, privilege or other rights on the basis of this Agreement or the communication of technical details and consequences from this INFORMATION – no matter whether patent rights exist for the same or not. The PARTNER issuing the said INFORMATION reserves in particular the right to submit applications for patents and/or registered designs for any INFORMATION transferred which involves patentable inventions.
6. In the event of any infringement of the above conditions on the part of either PARTNER, the other PARTNER shall be entitled to demand the immediate surrender of all transferred INFORMATION, including all kinds of copies or duplicates of the same, or to require proof that they have been destroyed or made useless by means of a legally reliable declaration.
7. This Agreement becomes effective upon being signed on behalf of the PARTNERS. It can be terminated by either PARTNER giving thirty days' notice to the end of any month.
8. The obligation of Non-Disclosure expires at the earliest five years following the issue of each individual piece of confidential INFORMATION or at least three years after the termination of this contractual relationship.
9. This Agreement is governed exclusively by German law. In the event of disputes, the PARTNERS undertake to select a place of jurisdiction in Germany.
10. Any amendments and supplements to the Non-Disclosure Agreement, including this clause, must be in writing.

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(Place) (Date)

.....

(Name, position)

.....

..... (Signature/s)

(Company stamp)

Lüdenscheid,

(Date)

Leopold Kostal GmbH & Co. KG

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(Name, position)

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(Name, position)

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.. (Signature)

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(Signature)