

NON-DISCLOSURE AGREEMENT

This Agreement is made by and between _____, a
_____ Corporation ("Client"), having its principal place of business at _____
_____ and **Class Three, LLC**, a
Delaware Corporation having its principal place of business at 1227 Seaton Road, #34, Durham, NC 27713
("Consultant"), collectively referred to herein as "the Parties."

1. Definition of Confidential Information. "Confidential Information" as used in this Agreement shall mean any and all technical and non-technical information provided by the disclosing party ("Discloser"), to the receiving party ("Recipient"), including all patents, patent applications, copyrights, trade secrets, ideas, documentation, techniques, sketches, drawings, models, inventions (whether or not patentable or reduced to practice), know-how, processes, apparatus, equipment, algorithms, software programs, software source documents, and formulae relating to or concerning the past, current, future and proposed business activities, business operations, business methods, products or services of each of the parties, and includes, without limitation, information concerning research, experimental work, development, design details and specifications, engineering, financial information, procurement requirements, purchasing, manufacturing, pricing, costs, profits, governmental and regulatory approvals, customer lists, business forecasts, and sales merchandising, advertising, and marketing plans, and all other proprietary or non-public information in any form or medium, including but not limited to oral, written, tangible, intangible, graphic, or electromagnetic form and any copies or derivatives, as defined below, thereof. "Confidential Information" also includes proprietary or confidential information of any third party who may disclose such information to either party in the course of that party's business.

2. Nondisclosure and Nonuse Obligation. Each of the Parties agrees that it will not divulge, communicate, reveal, share, provide access to, transfer, copy, distribute, publish, make use of, disseminate, or in any other way disclose any Confidential Information of the other party to any person, firm, business, or other entity except to the extent necessary for negotiations, discussions, and consultations with personnel or authorized representatives of the other party, and any purpose the other party may hereafter specifically authorize in writing. Furthermore, the existence of any business negotiations, discussions, consultations or agreements in progress between the Parties shall not be released to any form of public media without the prior written approval of both of the Parties. Each of the parties agrees that it shall treat all Confidential Information of the other party with the same degree of care as it accords to its own Confidential Information, and each of the parties represents that it exercises reasonable care to protect its own Confidential Information against disclosure or competitive use. If either party is not an individual, such party agrees that it shall disclose Confidential Information of the other party only to those of its employees who need to know such information and certifies that such employees have previously agreed, either as a condition to employment or in order to obtain the Confidential Information, to be bound by terms and conditions substantially similar to those of this Agreement. If reasonably requested by Discloser, Recipient will provide Discloser with written documentation of such employees' agreements. Recipient will immediately give notice to Discloser of any unauthorized use or disclosure of the Confidential Information. Recipient agrees to assist Discloser in remedying any such unauthorized use or disclosure of the Confidential Information.

3. Exclusions from Nondisclosure and Nonuse Obligations. Each of the parties' obligations under Paragraph 2 ("Nondisclosure and Nonuse Obligations") with respect to any portion of the other party's Confidential Information shall terminate when the party seeking to avoid its obligation under such Paragraph can document that:

- (i) the Confidential Information was in the public domain at or subsequent to the time it was communicated to Recipient by Discloser through no fault of Recipient;
- (ii) the Confidential Information was rightfully in Recipient's possession free of any obligation of confidence to any person or entity at or subsequent to the time it was communicated to Recipient by Discloser;
- (iii) the Confidential Information was developed by employees or agents of Recipient independently of and without reference to any information communicated to Recipient by Discloser;
- (iv) the Confidential Information was communicated by the Discloser to an unaffiliated third party free of any obligation of confidence; or
- (v) the communication of such Confidential Information was in response to a valid order by a court or other governmental body, was otherwise required by law, or was necessary to establish the rights of either party under this Agreement, and following prompt written notification to the Discloser.

4. Ownership of Confidential Information and Other Materials. All Confidential Information, and any Derivatives thereof, whether created by Discloser or Recipient, remain the property of the Discloser, and no license or other rights to any Confidential Information is granted or implied hereby. For purposes of this Agreement, "Derivatives" shall mean: (i) for copyrightable or copyrighted material, any translation, abridgement, revision or other form in which an existing work may be recast, transformed or adapted; (ii) for patentable or patented material, any improvement thereon or renewal, reissue, continuation, continuation in-part, revision, extension or reexaminations thereof; and (iii) for material which is protected by trade secret, any new material derived from such existing trade secret material, including new material which may be protected by copyright, patent, or ideas, trade secret or other law relating to intellectual property. All Confidential Information (including without limitation, documents, drawings, models, apparatus, sketches, designs and lists) furnished by the Discloser to the Recipient remain the property of the Discloser and shall be returned to the Discloser promptly at its request, together with any copies or Derivatives thereof.
5. Independent Development. Discloser understands that Recipient may currently or in the future develop information internally, or receive information from other parties that may be similar to Discloser's information. Accordingly, nothing in this Agreement will be construed as a representation or inference that Recipient will not develop products, or have products developed for it, that, without violation of this Agreement, compete with the products or systems contemplated by Discloser's Confidential Information. However, the Recipient shall not use any of the Confidential Information supplied by the Discloser for independent development without written approval of the Discloser, and the Recipient shall not own or apply for any patent, trademark registration or copyright registration in any development relating to the Confidential Information without written approval of the Discloser.
6. Disclosure of Third Party Information. Neither party shall communicate any information to the other in violation of the proprietary rights of any third party, nor any of the Confidential Information to a third person without written approval of the Discloser, except that Consultant may communicate such information to a regulatory agency under a Work Order previously executed between Consultant and Client.
7. NO WARRANTY. ALL CONFIDENTIAL INFORMATION IS PROVIDED "AS IS" AND WITHOUT ANY WARRANTY, EXPRESS, IMPLIED OR OTHERWISE, REGARDING ITS ACCURACY OR PERFORMANCE.
8. No Export. Neither party shall export, directly or indirectly, any technical data acquired from the other pursuant to this Agreement or any product utilizing any such data to any country for which the U.S. Government or any agency thereof at the time of export requires an export license or other government approval without first obtaining such license or approval.
9. Term. This Agreement shall govern all communications between the Parties for a term of ten (10) years from the signing of this Agreement by both of the Parties.
10. No Assignment. Neither Party shall assign or transfer any rights or obligations in whole or in part under this Agreement without the prior written consent of the other Party. Any such assignment in violation of this Paragraph 10 shall be null and void, *ab initio*, and of no further force and effect.
11. Notices. Any notice required or permitted by this Agreement shall be in writing and shall be delivered as follows with notice deemed given as indicated:
- (i) by personal delivery when delivered personally;
 - (ii) by overnight courier upon written verification of receipt;
 - (iii) by telecopy or facsimile transmission upon acknowledgment of receipt of electronic transmission; or
 - (iv) by certified or registered mail, return receipt requested, upon verification of receipt. Notice shall be sent to the addresses set forth above or such other address as either party may specify in writing.
12. Governing Law. This Agreement shall be governed in all respects by the laws of the State of Delaware. The Parties hereby submit to the exclusive jurisdiction of the state and federal courts located in Delaware for any proceeding regarding or related to this Agreement.

13. Severability. Should any provisions of this Agreement be held by a court of law to be illegal, invalid or unenforceable, the legality, validity and enforceability of the remaining provisions of this Agreement shall not be affected or impaired thereby.

14. Waiver. The waiver by Discloser of a breach of any provision of this Agreement by Recipient shall not operate or be construed as a waiver of any other or subsequent breach by Recipient.

15. Injunctive Relief. A breach of any of the promises or agreements contained herein will result in irreparable and continuing damage to the non-breaching party for which there will be no adequate remedy at law, and the non-breaching party shall be entitled to injunctive relief and/or a decree for specific performance, and such other relief as may be proper (including monetary damages if appropriate).

16. Entire Agreement. This Agreement constitutes the entire agreement with respect to the Confidential Information disclosed herein and supersedes all prior or contemporaneous oral or written agreements concerning such Confidential Information. This Agreement may only be modified or amended, including this Paragraph 16, by mutual agreement of authorized representatives of the parties in writing.

IN WITNESS WHEREOF, the parties have executed this Agreement, effective _____.

[CLIENT COMPANY NAME]

SIGNED BY: _____ DATE: _____

SIGNATURE: _____

TITLE: _____

CLASS THREE, LLC

SIGNED BY: _____ DATE: _____

SIGNATURE: _____

TITLE: _____