



LEGACY
MANUFACTURING
SOLUTIONS

1451 E Blaine Ave, Salt Lake City, UT 84105

Mutual Nondisclosure Agreement

This Mutual Nondisclosure Agreement (the "Agreement") is made and entered into as of the date indicated by the signatures below and is by and between Legacy Manufacturing Solutions ("LMS"), a Utah business entity and

- 1. Background and Purpose.** The parties wish to discuss a business opportunity of mutual interest (the "Opportunity"). In discussing the Opportunity, each party may disclose certain confidential, technical and business information that the disclosing party wishes the receiving party to receive and keep in confidence.
- 2. "Confidential Information" Defined.** "Confidential Information" means any information disclosed by one party to the other, either directly or indirectly, by means of writing, oral communication, or inspection of objects including technological devices and systems, computer software, prototypes and technology under development, physical facilities, computers and other equipment, business document forms and drafts, and other items, if: (1) that information is marked "confidential" and/or "proprietary," (2) the disclosing party informs the receiving party that the information that it is about to disclose shall be treated as confidential and/or proprietary, or (3) disclosure of the information is otherwise accompanied by a clear indication that the disclosing party considers the information to be confidential. Confidential Information also includes knowledge acquired about the disclosing party's facilities, policies, procedures, operations, and technology, which has been identified as "Confidential Information" according to the terms of this Section 2. Confidential Information does not, however, include: (a) any information which was publicly known or released into the public domain prior to disclosure by one party to the other, (b) information that becomes publicly known or generally available after disclosure through no action or inaction of the receiving party, or (c) information that is in the receiving party's possession at the time of disclosure, as shown from the receiving party's records dating from before the disclosure.
- 3. Nonuse and Nondisclosure.** The receiving party shall not use any Confidential Information for any purpose except to evaluate and engage in discussions concerning a potential business relationship between the parties to this Agreement with respect to the Opportunity. The receiving party agrees not to disclose any Confidential Information to third parties. Further, the receiving party agrees to disclose Confidential Information only to those employees of the receiving party who are required to have the information in order to evaluate or engage in discussions concerning the contemplated business relationship. The receiving party shall not reverse-engineer, disassemble, or decompile any prototypes, software, or other tangible objects which are included in the disclosing party's Confidential Information.
- 4. Disclosure Pursuant to Judicial or Administrative Action.** Notwithstanding the provisions of Section 3, if the receiving party is requested or required to disclose any Confidential Information of the disclosing party pursuant to any judicial or administrative action or proceeding, or any law or regulation, then the receiving party will provide the disclosing party with prompt notice of such request or requirement, unless legally prohibited from doing so. The disclosing party may then either seek appropriate protective relief from all or part of such request or requirement or waive compliance by the receiving party with the provisions of this Section with respect to all or part of such request or requirement. The receiving party will cooperate with the disclosing party, at the disclosing party's expense, in attempting to obtain any protective relief the disclosing party chooses to seek. If, after the disclosing party has had a reasonable opportunity to seek such relief, the disclosing party fails to obtain such relief, and, in the opinion of the receiving party's counsel, the receiving party believes it is legally compelled to disclose any of the Confidential Information, then the receiving party may disclose that portion of the Confidential Information that its counsel advises it is compelled to disclose.

5. **Maintenance of Confidentiality.** The receiving party shall take all reasonable measures to protect the secrecy of Confidential Information, and to avoid disclosure and unauthorized use of the other party's Confidential Information. Without limiting the foregoing, the receiving party shall apply at least those measures that the receiving party applies to protect its own most highly Confidential Information, and shall require its employees who have access to Confidential Information to maintain the secrecy of the Confidential Information in the same manner. The receiving party shall not make any copies of Confidential Information unless the disclosing party previously approves the copying, e.g., the receiving party may not reproduce, reprint, forward or otherwise disseminate copies of the Confidential Information, in whole or in part, except to persons within the receiving party's organization who have a "need-to-know," without prior approval of the disclosing party. If the receiving party makes copies, it must include with the copies the disclosing party's confidentiality and proprietary rights notices on the copies as set forth in the original.
6. **No Obligation to Proceed.** Nothing in this Agreement shall obligate either party to proceed with any transaction with the other party, and either party reserves the right, in its sole and absolute discretion, to decline to participate in a business opportunity and to terminate discussions.
7. **Return of Materials.** All documents or other tangible objects containing Confidential Information, and all copies of those documents or objects, are and remain the exclusive property of the disclosing party. If they are in the possession or under the control of the receiving party, the receiving party shall return them immediately upon receipt of written request by the disclosing party.
8. **No License.** Nothing in this Agreement or any disclosure of Confidential Information hereunder, grants to the receiving party any rights under any patent, copyright, or other intellectual property right of the disclosing party.
9. **Term.** This Agreement shall continue in effect until all Confidential Information disclosed hereunder becomes publicly known and made generally available through no action or inaction of the receiving party, unless sooner terminated by further agreement of the parties in writing.
10. **Remedies.** The receiving party agrees that any violation or apparent imminent violation of this Agreement may cause irreparable injury to the disclosing party, and that the disclosing party is therefore entitled to seek immediate injunctive relief, in addition to all other remedies that may be available under applicable law.
11. **Waiver** The failure of either party at any time to enforce the provisions of this Agreement or any right under this Agreement will in no way be construed to be a waiver of such provision or right, or in any way to affect the validity of this Agreement. The failure of either party to exercise any provision or right under the terms or conditions of this Agreement shall not preclude or prejudice the exercising of the same or any other provision or right under this Agreement.
12. **Miscellaneous.** The laws of the State of Utah shall govern this Agreement. The courts of the State of Utah shall have jurisdiction to resolve any disputes that arise under this Agreement. This document contains the entire agreement of the parties regarding confidentiality and nondisclosure, and may be amended only by writing signed by both of the parties.

Party: _____ Name: _____ Title: _____ Signature: _____ Date: _____ Opportunity: _____	Party: <u>Legacy Manufacturing Solutions</u> Name: _____ Title: _____ Signature: _____ Date: _____
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