# NONDISCLOSURE AGREEMENT

This Agreement is made and entered into as of <effective date> by and between Natel Engineering Co., Inc. and its subsidiaries (“Natel”), headquartered at 9340 Owensmouth Avenue, Chatsworth, California 91311 and <company>, having its corporate headquarters at <address>. Natel and Company, as used herein, shall include, individually and collectively, their parents, subsidiaries or affiliates and the officers, directors, consultants and employees of each. Natel subsidiaries include Epic Technology and OnCore Manufacturing.

WHEREAS Natel and Company possess certain non-public financial, business and technical information which they deem confidential and proprietary (“Confidential Information”); and

WHEREAS Natel and Company wish to disclose to each other Confidential Information for the purpose of review and evaluation of credit limits and procurement of electronic parts (the “Purpose”); and

WHEREAS both parties wish to set forth the conditions and obligations that will govern the receipt, use, duplication and disclosure of any Confidential Information that may be disclosed,

NOW, THEREFORE, the parties agree as follows:

1. “Confidential Information” as used throughout this agreement shall mean financial data, business plans, trade secrets, know-how, and other data and information that are hereafter disclosed by Natel and Company in writing, orally or by inspection. Without limiting the generality of the foregoing, but subject to paragraphs 4 and 5 hereof, Confidential Information shall include:

a. Any business plan or opportunity, product or redevelopment plan or specification, business proposal, financial or business record, the name of any customer, employee, prospective employee, consultant or licensee, any sales or marketing plan, material or survey or other record or information relating to the present or proposed enterprise of either party.

b. Any idea, invention, patent filing, innovation, process, product, method, development, discovery, research, technical data, prototype, design, product specification, plan for new or revised product, concept, schematic, model, diagram, drawing, work in progress, formula, device, pattern, flow chart, chemical mixture, delivery system, software, source code, user manual, training or service manual, including any modifications, revisions, enhancements or improvements relating to the foregoing.

2. Neither party shall use the Confidential Information of the other party nor any portion thereof for the benefit of itself or any third party or for any purpose other than the Purpose agreed on. Each party agrees that it shall not decompile, disassemble or otherwise reverse engineer (except to the extent expressly permitted by applicable law, notwithstanding a contractual obligation to the contrary) any Confidential Information of the other party disclosed hereunder or any portion thereof, or determine or attempt to determine any source code, algorithms, methods or techniques embodied in any Confidential Information of the other party or any portion thereof.

3. Company and Natel agree that they shall hold in confidence and withhold from third parties any and all Confidential Information disclosed by either. Natel and Company further agree to use such information only for the purpose stated herein and for no other purpose. Natel and Company agree to take reasonable and appropriate measures in accordance with generally accepted business practices to safeguard any Confidential Information received from theft, loss or disclosure to others, and, further, to limit access to such information to those officers, directors and employees who reasonably require access to the data to assist in fulfilling the purposes stated herein.

4. Confidential Information, if in written or other permanent form, shall be identified as such using an appropriate legend, marking stamp, or other clear and conspicuous written identification designating it as Confidential Information. Any Confidential Information in other than written or other permanent form shall be considered such at the time of original disclosure and shall thereafter be summarized in written or other permanent form within thirty (30) calendar days of the non-written disclosure, identifying such information as Confidential Information.

5. Information that is disclosed by Natel and Company will not be considered Confidential Information if either establishes that such information was:

a. in the public domain at the time of disclosure or subsequently comes within the public domain through no action of Natel or Company, or

b. known to or in the possession of Natel and Company at the time of the disclosure hereunder and not directly or indirectly acquired from either, or

c. obtained by Natel and/or Company from any third party, provided that, to the knowledge of Natel and Company, such information was not obtained, directly or indirectly, from a party under an obligation of confidentiality to either.

6. In the event Natel and/or Company is required by a court or other regulatory body (including without limitation by a subpoena issued by such court or regulatory body) to disclose any Confidential Information received from Natel and/or Company, it shall provide Natel and/or Company with prompt notice thereof so that Natel and/or Company may seek, at its expense, an appropriate protective order prior to disclosure. If, after notice to Natel and/or Company, and it is in the reasonable opinion of its counsel, required to disclose Confidential Information, pursuant to such order, such Confidential Information may be disclosed to the extent required under the order.

7. Both Natel and Company agree to promptly notify of the loss or unauthorized use or disclosure of any Confidential Information.

1. Confidential Information, including all tangible media in which Confidential Information is fixed and copies thereof shall remain the property of Natel and Company. Neither this Agreement nor the disclosure of Confidential Information hereunder shall be construed as granting any license or right to use any invention or patent disclosed, nor shall any such disclosure constitute any representation, warranty, assurance, guaranty, or inducement with respect to the infringement of any patent or other rights to others. No warranty or representation as to the accuracy, completeness or technical or scientific quality of any Confidential Information is provided herein. WITHOUT RESTRICTING THE GENERALITY OF THE FOREGOING, NATEL AND COMPANY MAKES NO REPRESENTATION OR WARRANTY AS TO MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF ANY CONFIDENTIAL INFORMATION DISCLOSED HEREUNDER.
2. Each party shall bear its own costs incurred or in connection with this Agreement. Nothing in this Agreement shall be construed by either party, as an obligation to enter into a contract, subcontract, or other business relationship with the other party.
3. The rights and obligations provided by this Agreement shall take precedence over specific legends or statements reflected on or associated with Confidential Information received.
4. **For all documents ITAR related, US Government Export Regulations Compliance as follows, shall be included in this agreement.**

**“Natel Engineering Co., Inc. may provide Company with technical data related to defense articles. This technical data, (documentation, software, drawings, specifications, etc.) is subject to the export control laws of the United States Government. Transfer of this data by any means to a foreign business or to a foreign person, whether in the United States or abroad, without prior approval from the U.S. Department of State is a violation of US Government export laws.**

**Additionally, in accordance with the Arms Export Control Act and pursuant to the International Traffic in Arms Regulations (ITAR) (22 CFR, Section 122.1), “Any person who engages in the United States in the business of either manufacturing or exporting of defense articles or furnishing defense services is required to register with the U.S. Department of State Office of Defense Trade Controls. Manufacturers who do not engage in exporting must nevertheless register.” Information on registration with the Office of Defense Trade Controls is available on-line at http://www.pmdtc.org/registration.htm. If you have any questions please contact the Natel ITAR representative.”**

1. **The term of this Agreement, except for ITAR regulations, shall be three years from the Effective Date. ITAR restrictions apply indefinitely.** Either party may terminate this Agreement upon thirty (30) days written notice. However, termination or expiration of this agreement shall not relieve the parties of their obligation to protect and not disclose any Confidential Information received hereunder for a period of three years from the date of receipt thereof.
2. Upon termination or expiration of this Agreement, the parties shall cease use of all Confidential Information furnished hereunder and shall, upon written direction of either party, return to disclosing party or destroy all such Confidential Information, together with all copies thereof. Upon request of disclosing party, receiving party shall certify in writing that the Confidential Information delivered hereunder but not returned to the disclosing party has been destroyed.
3. This Agreement, and the rights and obligations hereunder, may not be transferred or assigned by either party without the prior written consent of the other party.
4. The validity, interpretation, and effect of this Agreement shall be governed by the laws of the State of California. The parties consent to the jurisdiction of the federal and state courts of California for any action or proceeding arising out of or relation to this Agreement.
5. This is the entire Agreement between the parties concerning the disclosure and use of Confidential Information and supersedes any prior or contemporaneous written or oral agreements as to the disclosure and protection of such information in connection with the aforesaid purposes and may not be amended or modified, except by a subsequent agreement in writing by duly authorized representatives of the parties. If the parties mutually agree to enter into or continue a business relationship or other arrangement relating to the Purpose and do not enter into a new confidentiality agreement, the terms and conditions set forth herein shall also apply to any information and/or materials related to, or activities undertaken in connection with, carrying out such business relationship or other arrangement, unless otherwise agreed to by the parties in writing.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their authorized representatives.

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| **<company name>** | **Natel Engineering Co., Inc.**  **(Natel, EPIC and OnCore)** |
| By: | By: |
| Name: | Name: Magdy Henry |
| Title: | Title: VP. Supply Chain |
| Date: | Date: |