

MUTUAL NONDISCLOSURE AGREEMENT

THIS MUTUAL NONDISCLOSURE AGREEMENT (this "Agreement") is made and entered by and between **DWA Technologies, Inc.**, a California corporation, having a place of business at 21100 Superior Street, Chatsworth, CA 91311, and _____, having a place of business at _____.

R E C I T A L

In connection with the discussions between the parties hereto with respect to a potential business agreement ("Potential Agreement"), each party has confidential technical and nontechnical information which it desires to reveal to the other and the other desires to review (collectively, the "Information"), subject to the provisions contained herein.

NOW, THEREFORE, the parties hereto agree as follows:

1. **Grant of Review.** Each party hereto hereby permits the other to review, and each party hereto accepts, the Information, subject to the provisions contained herein.

2. **Nondisclosure.** Each party hereto agrees (i) not to disclose or permit access to any aspect or portion of the Information to third parties without the prior written consent of the other party, which consent may be withheld in the sole discretion of such party. However, a party may disclose the other party's information to the extent required by law, provided that such party gives the other party reasonable notice before such disclosure and provides reasonable cooperation; (ii) to hold the other party's Information in strict confidence and to take reasonable precautions to protect the confidentiality of such Information (which precautions shall be no less than those employed by the party receiving such Information to preserve the secrecy of its own confidential materials); (iii) not to make any use whatsoever at any time of any such Information of the disclosing party, except to evaluate and engage in discussions with the disclosing party concerning the Potential Agreement, and, to the extent the parties enter into a business relationship, as provided in the definitive agreement executed in connection with such relationship; and (iv) not to copy such Information, or reverse engineer or disassemble any products, technology or tangible objects that utilize or contain such Information.

3. **Confidentiality.** Each party hereto understands that all of the Information disclosed by the other party is confidential and secret and is at all times the sole and exclusive property of the disclosing party.

4. **Definition of Information.** For the purposes of this Agreement, "Information" shall include the following:

- (a) Manufacturing processes, inventions, drawings, discoveries, improvements, formulas, plans, materials, devices or ideas or any other confidential or secret aspect of the business of either party;
- (b) Marketing and sales plans, product development plans, competitive analyses, material test results, business and financial plans or forecasts, non-public financial information, agreements and customer and employee lists of either party hereto;

- (c) Any information or material not described above which relates to either party's inventions, technological developments, "know how" purchasing, accounting merchandising or licensing; and
- (d) Any information of the type described above which either party hereto has a legal obligation to treat as confidential or which either party treats as proprietary or designates in writing as confidential, whether or not owned or developed by such party.

However, Information shall not include any information that (i) was in the public domain before the date of this Agreement or subsequently came into the public domain other than as a result of disclosure by the party receiving it under this Agreement; or (ii) was lawfully received from a third party free of any obligation of confidence of or to such third party; or (iii) is independently developed by employees, consultants or agents of the party receiving it under this Agreement without the use of the Information provided by the other party under this Agreement.

5. **Limitation of Disclosure.** Each party hereto shall limit the disclosure of the Information to those individuals under its control or supervision needing to receive the same for the purposes expressly set forth in this Agreement, and shall advise all such individuals of the confidential and secret nature of the Information and of such party's obligation to treat all such Information as confidential and secret as provided in this Agreement even if no longer affiliated with such party.

6. **Public Disclosure.** Each party hereto agrees to promptly notify the other party in writing of any publication or public dissemination of any portion of the Information and/or of any facts indicating that unauthorized persons may have become aware of portions of the Information or have been soliciting or attempting to acquire portions of the Information without authorization from the disclosing party to do so.

7. **Nonwaiver.** The failure of either party hereto to object to or seek a remedy for any breach of any provision of this Agreement shall not be a waiver of such breach or of any right or remedy available to such party.

8. **Injunction.** In the event of a breach or threatened breach by either party hereto of the non-use or nondisclosure obligations of this Agreement, the other party hereto shall be entitled, in addition to any other remedies and damages available, to an injunction to restrain the violation of such obligations by such party, its employees, agents or other business associates.

9. **Severability.** If any provision of this Agreement shall be determined by any court of competent jurisdiction to be invalid, illegal or unenforceable, in whole or in part, and such determination shall be final, such provision or portion shall be deemed to be severed or limited, but the remaining provisions and portions of this Agreement shall remain enforceable.

10. **No License.** This Agreement does not grant to either party any license or rights under or to any aspect or portion of the other party's Information, or any use thereof, except for the purposes expressly set forth in this Agreement, nor is there any implied obligation of either party hereto to grant such license or right to the other party hereto at any point in the future.

11. **No Binding Transaction.** Nothing herein shall obligate either party to proceed with any transaction between them, and each party reserves the right, in its sole discretion, to terminate the discussions contemplated by this Agreement concerning the Proposed Agreement.

12. **Nonassignment.** Neither party hereto shall, in whole or in part, assign any of its rights under this Agreement without the prior written consent of the other party hereto, which consent may be withheld in the sole discretion of such party, and any attempt to do so without such consent shall be null and void. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, heirs and permitted assigns.

13. **Return of Information.** Promptly following written demand from either party hereto, the other party hereto shall deliver to such requesting party all of the requesting party's Information within such party's control or possession, including all copies of the Information.

14. **Survival.** Each party's non-use and nondisclosure obligations set forth herein shall survive the termination of this Agreement.

15. **Governing Law.** This Agreement shall be construed and enforced in accordance with the laws of the State of California.

16. **Attorneys' Fees.** In the event of any proceeding arising out of or related to this Agreement, the prevailing party shall be entitled to recover from the nonprevailing party all of its costs and expenses incurred in connection with such proceeding, including court costs and reasonable attorneys' fees, whether or not such proceeding is prosecuted to judgment.

17. **Entire Agreement.** The provisions contained herein represent the entire agreement between the parties hereto with regard to the use and disclosure of the Information.

IN WITNESS WHEREOF, the parties hereto have duly executed this Mutual Nondisclosure Agreement.

Effective Date: _____

DWA Technologies, Inc.

Company Name

Name: _____
(Print)

Name: _____
(Print)

By: _____
(Signature)

By: _____
(Signature)

Title: _____

Title: _____