

## NON-DISCLOSURE AND CONFIDENTIALITY AGREEMENT

This Non-Disclosure and Confidentiality Agreement (“Agreement”) is made effective as of January 8, 2016 (“Effective Date”), by and between \_\_\_\_\_ (“Owner”), and \_\_\_\_\_ (“Recipient”):

WHEREAS Owner owns the rights to certain inventions and proprietary information related to \_\_\_\_\_.

WHEREAS Recipient may have interest in making use of said inventions and proprietary information.

WHEREAS Owner has requested and Recipient agrees that the Recipient will protect the confidential material and information which may be disclosed between the Owner and the Recipient during Recipient’s review of Owner’s inventions and proprietary information.

NOW, THEREFORE, in consideration of the foregoing, and other good and valuable consideration which is hereby acknowledged as received by Owner and Recipient, the Parties agree to the following terms:

- I. CONFIDENTIAL INFORMATION. The term “Confidential Information” means any information or material which is proprietary to the Owner, whether or not owned or developed by the Owner, which is not generally known other than by the Owner, and which the Recipient may obtain through any direct or indirect contact with the Owner. Regardless of whether specifically identified as confidential or proprietary, Confidential Information shall include any information provided by the Owner concerning the business, technology and information of the Owner and any third party with which the Owner deals, including, without limitations, business records and plans, trade secrets, technical data, product ideas, contracts, financial information, pricing structure, discounts, computer programs and listings, source code and/or object code, copyrights and intellectual property, inventions, sales leads, strategic alliances, partners, and customer and client lists. The nature of the information and the manner of disclosure are such that a reasonable person would understand it to be confidential.
  - a. Confidential Information does not include:
    - i. Matters of public knowledge that result from disclosure by the Owner;
    - ii. Information rightfully received by the Recipient from a third party without a duty of confidentiality;
    - iii. Information independently developed by the Recipient, unless that information is a modification, reworking, improvement, or substantially similar information to Owner’s Confidential Information;

- iv. Information disclosed by operation of law;
- v. Information disclosed by the Recipient with prior written consent of the Owner; and
- vi. Any other information that both parties agree in writing is not confidential.

II. **PROTECTION OF CONFIDENTIAL INFORMATION.** The Recipient understands and acknowledges that the Confidential Information has been developed or obtained by the Owner by the investment of significant time, effort and expense, and that the Confidential Information is a valuable, special and unique asset of the Owner which provides the Owner with a significant competitive advantage, and needs to be protected from improper disclosure. In consideration for the receipt by Recipient of the Confidential Information, the Recipient agrees as follows:

- a. **No Disclosure.** The Recipient will hold the Confidential information in confidence and will not disclose the Confidential Information to any person or entity without the prior written consent of the Owner.
- b. **No Copying/Modifying.** The Recipient will not copy or modify any Confidential Information without the prior written consent of the Owner.
- c. The Recipient will promptly advise the Owner if the Recipient becomes aware of any possible unauthorized disclosure or use of the Confidential Information.
- d. **Application to Employees.** The Recipient shall not disclose any Confidential Information to any employees of the Recipient, except those employees who are required to have the Confidential Information in order to perform their job duties in connection with the limited purposes of this Agreement. Each permitted employee to whom Confidential Information is disclosed shall sign a non-disclosure agreement substantially the same as this Agreement at the request of the Owner.

III. **UNAUTHORIZED DISCLOSURE OF INFORMATION – INJUNCTION.** If it appears that the Recipient has disclosed (or has threatened to disclose) Confidential Information in violation of this Agreement, the Owner shall be entitled to an injunction to restrain the Recipient from disclosing the Confidential Information in whole or in part. The Owner shall not be prohibited by this provision from pursuing other remedies, including a claim for losses and damages.

IV. **NON-CIRCUMVENTION.** For a period of five (5) years after the end of the term of this Agreement, the Recipient will not attempt to do business with, or otherwise solicit any business contacts found or otherwise referred by Owner to Recipient for

the purpose of circumventing, the result of which shall be to prevent the Owner from realizing or recognizing a profit, fees, or otherwise, without the specific written approval of the Owner. If such circumvention shall occur the Owner shall be entitled to any commissions due pursuant to this Agreement or relating to such transaction.

- V. **RETURN OF CONFIDENTIAL INFORMATION.** Upon the written request of the Owner, the Recipient shall return to the Owner all written materials containing the Confidential Information. The Recipient shall also deliver to the Owner written statements signed by the Recipient certifying that all materials have been returned within five (5) days of receipt of the request.
- VI. **RELATIONSHIP OF THE PARTIES.** Neither party has an obligation under this Agreement to purchase any service or item from the other party, or commercially offer any products using or incorporating the Confidential Information. This Agreement does not create any agency, partnership, or joint venture.
- VII. **NO WARRANTY.** The Recipient acknowledges and agrees that the Confidential Information is provided on an “AS IS” basis. **THE OWNER MAKES NO WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE CONFIDENTIAL INFORMATION AND HEREBY EXPRESSLY DISCLAIMS ANY AND ALL IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. IN NO EVENT SHALL THE OWNER BE LIABLE FOR ANY DIRECT, INDIRECT, SPECIAL, OR CONSEQUENTIAL DAMAGES IN CONNECTION WITH OR ARISING OUT OF THE PERFORMANCE OR USE OF ANY PORTION OF THE CONFIDENTIAL INFORMATION.** The Owner does not represent or warrant that any product or business plans disclosed to the Recipient will be marketed or carried out as disclosed, or at all. Any actions taken by the Recipient in response to the disclosure of the Confidential Information shall be solely the risk of the Recipient.
- VIII. **LIMITED LICENSE TO USE.** The Recipient shall not acquire any intellectual property rights under this Agreement except the limited right to use as set forth above. The Recipient acknowledges that, as between the Owner and the Recipient, the Confidential Information and all related copyrights and other intellectual property rights, are (and at all times will be) the property of the Owner, even if suggestions, comments, and/or ideas made by the Recipient are incorporated into the Confidential Information or related materials during the period of this Agreement.
- IX. **INDEMNITY.** Each party agrees to defend, indemnify, and hold harmless the other party and its officers, directors, agents, affiliates, distributors, representatives, and employees from any and all third party claims, demands, liabilities, costs and expenses, including reasonable attorney’s fees, costs and expenses resulting from the indemnifying party’s material breach of any duty, representation, or warranty under

this Agreement.

- X. ATTORNEY'S FEES. In any legal action between the Parties concerning this Agreement, the prevailing party shall be entitled to recover reasonable attorney's fees and costs.
- XI. TERM. The obligations of this Agreement shall survive in perpetuity from the Effective Date or until the Owner sends the Recipient written notice releasing the Recipient from this Agreement. The Recipient must continue to protect the Confidential Information that was received during the term of this Agreement from unauthorized use or disclosure indefinitely.
- XII. GOVERNING LAW AND JURISDICTION. This Agreement shall be governed by and construed in accordance with the laws of the State of Michigan without giving effect to any conflict of laws principles to the contrary. Venue for any disputes arising under this Agreement will lie exclusively in the state or federal courts located in Oakland County or in the Eastern District of Michigan, respectively. The Parties waive any right to raise *forum non conveniens* or any other argument that Oakland County or the District Court in the Eastern District of Michigan is not the proper venue, and irrevocably consent to personal jurisdiction in the state and federal courts of Michigan.
- XIII. GENERAL PROVISIONS. This Agreement sets forth the entire understanding of the Parties regarding confidentiality. Any amendments must be in writing and signed by both parties. This Agreement shall not be assignable by either party. Neither party may delegate its duties under this Agreement without the prior written consent of the other party. The confidentiality provisions of this Agreement shall remain in full force and effect at all times in accordance with the term of this Agreement. If any provision of this Agreement is held to be invalid, illegal, or unenforceable, the remaining portions of this Agreement shall remain in full force and effect and construed so as to best effectuate the original intent and purpose of this Agreement. The headings contained in this Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement. This Agreement may be executed in counterparts. The signatures of the Parties who sign different counterparts of this Agreement shall have the same effect as if those Parties had signed the same counterpart of this Agreement. It shall be necessary to account for only one such counterpart in proving this Agreement. Facsimile or electronic-mail/pdf signatures of the Parties executing this Agreement shall bear the same weight and authority as if an original signature.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the Effective Date of this Agreement.

OWNER:

RECIPIENT:

\_\_\_\_\_

\_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_