

CONFIDENTIALITY AGREEMENT

This Agreement is entered into by Nol-Tec Systems, Inc. ("Nol-Tec"), with its principal place of business at 425 Apollo Drive, Lino Lakes, Minnesota 55014, and _____ ("Recipient"), having a place of business at _____, effective _____, 20__

The parties agree as follows:

- 1. CONFIDENTIAL INFORMATION.** "Confidential Information" means all information that is (i) disclosed by Nol-Tec in any tangible form and is clearly labeled or marked as confidential, proprietary or its equivalent, (ii) disclosed by Nol-Tec orally or visually, designated confidential, proprietary or its equivalent at the time of its disclosure, and (iii) disclosed by Nol-Tec, or to which Recipient has access, that Recipient knows or should reasonably be expected to know is confidential to Nol-Tec.
- 2. USE OF CONFIDENTIAL INFORMATION.** From the effective date of this Agreement, Recipient may use Confidential Information received from the other for the purpose of responding to Nol-Tec's requests for quotations, goods or services from Recipient. Recipient may make no other use of Confidential Information received under this Agreement, and Recipient may make no more than the minimum number of copies of such Confidential Information that are necessary to carry out that purpose. Each copy must retain all proprietary and copyright notices that are incorporated in the original form of the Confidential Information, and appropriately mark all embodiments of Confidential Information not bearing any such notice at the time of receipt or creation.
- 3. PROTECTION OF CONFIDENTIAL INFORMATION.** Recipient must safeguard Confidential Information received under this Agreement from unauthorized disclosure using the same degree of care as it uses to protect its own information of like importance, but at least reasonable care. Recipient may make Confidential Information received under this Agreement available to only those employees who have a need for such access, and only after such employees are informed of Recipient's obligations under this Agreement. Recipient must provide Nol-Tec with notice of any governmental, judicial or administrative order or proceeding to compel the disclosure of Confidential Information received under this Agreement, as promptly as the circumstances of such order or proceeding reasonably permit.
- 4. LIMITATIONS ON THE OBLIGATION WITH RESPECT TO CONFIDENTIAL INFORMATION.** Recipient will be obligated to maintain any information in confidence or refrain from unauthorized use of any Confidential Information received under this Agreement to the extent that:
 - a. The information was in Recipient's possession or was known to Recipient prior to receipt from Nol-Tec;
 - b. The information is independently developed by Recipient without the utilization of Nol-Tec Confidential Information;
 - c. The information is or becomes public knowledge without fault of Recipient.
- 5. INTELLECTUAL PROPERTY RIGHTS.** Except for the limited rights expressly set forth in Section 2 of this Agreement, no rights are granted to Recipient under this Agreement, including but not limited to any license with respect to any patent, trade secret, copyright or other intellectual property right that is now or hereafter owned or licensable by Nol-Tec.
- 6. ASSIGNMENT.** This Agreement will be binding upon each party's successors and assigns.
- 7. ENTIRE AGREEMENT.** This Agreement (i) constitutes the entire agreement between the parties with respect to the subject matter hereof, (ii) supersedes any and all other agreements between the parties related thereto, as well as all proposals, oral or written, and all negotiations, conversations or discussions between the parties related to this Agreement, (iii) may not be altered, amended or otherwise modified without the written agreement signed by the parties hereto, and (iv) may be executed in two or more counterparts, each of which will be deemed an original hereof.
- 8. RETURN OF MATERIALS.** Recipient must immediately return to the other all Confidential Information received under this Agreement, and all copies thereof, upon request by Nol-Tec. The obligations of Recipient to refrain from disclosure and use of any of the Confidential Information received under this Agreement will remain in effect thereafter.
- 9. NO WAIVER.** No failure or delay by in exercising any right, power, or privilege hereunder will operate as a waiver thereof nor will any single or partial exercise thereof preclude any other or further exercise of any right, power, or privilege.
- 10. GOVERNING LAW.** This Agreement will be governed by, and interpreted and construed in accordance with, the laws of the State of Minnesota.

NOL-TEC SYSTEMS, INC.

(Recipient)

(Signature)

(Signature)

Name

Name

Title

Title

Date

Date

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