

MUTUAL NON-DISCLOSURE AGREEMENT

Entered into between

Poly-Nova Technologies Corporation
125 Southgate Drive, Guelph
Ontario, Canada, N1G 3M5
and their affiliates

Hereinafter called “Poly-Nova”, on the one side,

And
Company Name

Street #, Street Name

City, State, Province

Zip/Postal, State, Province

Hereinafter called “Partner”, on the other side

1. PREAMBLE

Both Parties desire to enter into a cooperation regarding:

Describe nature of commercial relation

Before or during this cooperation, both Parties may share certain proprietary information with each other. Therefore, in consideration of the mutual premises and covenants contained in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereto agree as follows:

2. DEFINITION OF CONFIDENTIAL INFORMATION

- a. For purposes of the Agreement, Confidential Information means including, but not limited to:
 - The conclusion of this Agreement;

- The fact that both Parties conduct negotiations regarding the cooperation pursuant to paragraph 1. of this Agreement including the content of these negotiations;
 - Any scientific or technical information, design, description of products, formula, development or manufacturing processes, equipment or developments, drawings, graphics, manuals etc.;
 - Any products, samples and prototypes, materials etc. used by either Party;
 - Any marketing information, strategies, projections, sales estimates, business plans, calculations relating to past, present or future business activities;
 - Any of either Party's Intellectual Property Rights including trademarks, registered designs, patents, scripts, texts, technical descriptions, pictures, videos, software etc.;
 - Any other information that should be considered as either Party's trade or industrial secrets.
- b. the foregoing, Confidential Information shall not include information, which
- Is publicly available;
 - Becomes publicly available without breach of this Agreement;
 - Was known by the other Party prior to receiving this Agreement;
 - Was received by the other Party from a third-Party source being authorized for dissemination; or
 - Both Parties agreed to except from confidentiality.

3. DISCLOSURE OF CONFIDENTIAL INFORMATION

- a. Each Party shall treat any information pursuant to paragraph 2. a. of this Agreement as strictly confidential. This obligation shall notably imply the duty to use Confidential Information not for purpose other than as authorized pursuant to paragraph 1. of this agreement.
- b. Notwithstanding the foregoing, each Party may disclose Confidential Information pursuant to any governmental, judicial or administrative order, provided the Partner promptly notifies the other Party in writing of such demand for disclosure. The disclosing Party shall disclose Confidential Information only to the necessary extent.
- c. Each Party shall make provisions that no unauthorized persons get access to the Confidential Information and shall minimize the number of involved persons.
- d. Each Party shall limit disclosure of Confidential Information to its directors, officers, employees, agents, representatives or other third Parties (such as accountants, auditors, lawyers or other consultants) who have a need to know such confidential Information in connection with the scope of the cooperation pursuant to paragraph 1. of this agreement.
- e. Each Party shall advise its representatives of the proprietary nature of the Confidential Information pursuant to Paragraph 2.a. of this Agreement and the obligations set forth in this Agreement and require such representatives to keep the Confidential Information confidential.

4. CODE OF CONDUCT

- a. Neither Party is entitled to copy written Confidential Information pursuant to paragraph 2.a. of this agreement unless otherwise agreed in written;
- b. Each Party shall store any electronic storage devices containing Confidential Information (including but not limited to CDs, DVDs, USB-Sticks, hard disks etc.) separately from any other of the Partner's business records.
- c. Each Party shall protect any Confidential Information pursuant to paragraph 2. a. of this Agreement against unauthorized access - including access by unauthorized employees - on a regular basis. This shall include but not be limited to separate storage of printed documents in a locked cabinet, suitable electronic action (password-protection or local instead of network storage). The storage of Confidential Information pursuant to paragraph 2.a of this Agreement in virtual locations (internet clouds etc.) is strictly prohibited.
- d. Any media containing Confidential Information pursuant to paragraph 2. a. of this Agreement - in particular if these documents are emailed - shall be marked as confidential.

- e. Furthermore, each Party shall take all necessary action to avoid trustless employees having access to Confidential Information pursuant to paragraph 2. a. of this Agreement.

5. RETURN OF CONFIDENTIAL INFORMATION

- a. Either Party shall immediately return all tangible material embodying the Confidential Information pursuant to paragraph 2.a. of this agreement and all notes, summaries, drawings, manuals, records or other information as well as computerized images, CDs, DVDs, etc., if
 - The negotiations for the cooperation pursuant to paragraph 1 of this Agreement failed; or
 - One Party is requested by the other to do so.In this event, any back-up copies shall be promptly destroyed and one Party shall - upon the other's request - to certify such destruction in writing.
- b. Both Parties acknowledge with respect to this Agreement that they are not entitled to withhold any Confidential Information pursuant to paragraph 2. a. of this Agreement and they shall return any data without compensation of costs.

6. INTELLECTUAL PROPERTY RIGHTS

- a. Neither Party shall be granted any property right or license on the other Party's Confidential Information. All Intellectual Property Rights, including trademarks, registered designs, patents, scripts, texts, technical descriptions, pictures, videos, software etc. shall remain the respective Party's sole property.
- b. Neither Party shall be entitled to claim property rights - nor have claimed such rights by third Parties - based on information received from the other Party.

7. LIABILITY

- a. Both Parties acknowledge that no representation or warranty as to the accuracy or completeness of Confidential Information is being made by the disclosing Party.
- b. One Party shall notify the other immediately upon discovery of any unauthorized use or disclosure of Confidential Information.

8. CONTRACT PENALTY

- a. Shall either Party breach his duties resulting from this agreement, a penalty in the amount of USD \$50,000 shall be agreed.

9. TERM

- a. Any obligations deriving from this Agreement shall remain in effect for an indefinite period of time to the extent permissible under statutory provisions, even if the negotiations for the cooperation as described in paragraph 1 failed or the cooperation is terminated at a later date.

10. FINAL PROVISIONS

- a. If any provision of the contract of these Terms is held invalid, void, unenforceable for any reason, all other provisions shall remain valid to the extent permissible under statutory provisions. Any invalid provision shall be substituted by a valid one, which comes close to the intended purpose.
- b. Amendments, side-letters, conditions additions shall be in writing to be legally binding.
- c. If these Terms do not provide for a regulation, the statutory provisions shall apply.

11. ARBITRATION AND APPLICABLE LAW

- a. The contract shall be subject to substantive Ontario law. Applicability of the conflict of laws (“International Private Law”) as well as the United Nations Convention on the International Sale of Goods shall be excluded.

The Partner: Name (Print)

Poly-Nova Technologies: Name (Print)

The Partner: Date

Poly-Nova Technologies: Date

The Partner: Title

Poly-Nova Technologies: Title

The Partner: Signature
(I have authority to bind the corporation)

Poly-Nova Technologies: Signature
(I have authority to bind the corporation)