

MUTUAL NONDISCLOSURE AGREEMENT

THIS MUTUAL NONDISCLOSURE AGREEMENT (“**Agreement**”) is made as of (DATE) by and between (YOUR NAME HERE), and Dwight Smith, of Contract Engineering Services

1. Purpose. The parties wish to explore a business opportunity of mutual interest (the “**Purpose**”) in connection with which each party may disclose to the other certain confidential technical and/or business information which the disclosing party desires the receiving party to treat as confidential. For purposes of this Agreement, the term “**Receiving Party**” means a party that is the recipient of or has access to Confidential Information (defined below) of the other party (the “**Disclosing Party**”).

2. Confidential Information. “**Confidential Information**” means any information disclosed previously or in the future by a Disclosing Party to a Receiving Party, either directly or indirectly, in writing, orally or by inspection of tangible objects (including without limitation documents, business plans, source code, software, documentation, financial analyses, marketing plans, customer names, customer lists, customer data, product plans, products, services, inventions, processes, designs, drawings, engineering or hardware configuration information, know-how, trade secrets, or any other proprietary or business information), which is designated as “Confidential,” “Proprietary” or some similar designation, or other information, the confidential or proprietary nature of which is reasonably apparent under the circumstances. Confidential Information shall also include information disclosed to the Disclosing Party by third parties pursuant to a nondisclosure obligation. Confidential Information shall not, however, include any information which (i) was publicly known and made generally available in the public domain prior to the time of disclosure by the Disclosing Party; (ii) becomes publicly known and made generally available after disclosure by the Disclosing Party to the Receiving Party through no action or inaction of the Receiving Party; (iii) is already in the possession of the Receiving Party at the time of disclosure by the Disclosing Party as shown by the Receiving Party’s files and records immediately prior to the time of disclosure; (iv) is obtained by the Receiving Party from a third party without a breach of such third party’s obligations of confidentiality; (v) is independently developed by the Receiving Party without use of or reference to the Disclosing Party’s Confidential Information, as shown by documents and other competent evidence in the Receiving Party’s possession; or (vi) is required by law to be disclosed by the Receiving Party, provided that the Receiving Party shall give the Disclosing Party written notice of such requirement prior to disclosure so that the Disclosing Party may seek a protective order or other appropriate relief.

3. Non-Disclosure and Non-Use. A Receiving Party shall not disclose any Confidential Information of the Disclosing Party to third parties or to the Receiving Party’s employees, except those employees who require the information for the Purpose and who have signed a confidentiality agreement at least as protective of the Confidential Information of the Disclosing Party as this Agreement. A Receiving Party shall not use any Confidential Information of the Disclosing Party for any purpose other than the Purpose. A Receiving Party shall not reverse engineer, disassemble or decompile any prototypes, software or other tangible objects which embody Confidential Information of the Disclosing Party.

4. Maintenance of Confidentiality. A Receiving Party shall take reasonable measures to protect the secrecy of and avoid disclosure and unauthorized use of the Confidential Information of the Disclosing Party. Without limiting the foregoing, a Receiving Party shall take at least those measures that it takes to protect its own highly confidential information. A Receiving Party shall not make any copies of the Disclosing Party’s Confidential Information without the prior written approval of the Disclosing Party. A Receiving Party shall reproduce the Disclosing Party’s proprietary rights notices on any such approved copies, in the same manner in which such notices were set forth in or on the original. A Receiving Party shall immediately notify the Disclosing Party in the event of any unauthorized use or disclosure of the Disclosing Party’s Confidential Information.

5. No Obligation. 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 Purpose.

6. No Warranty. ALL CONFIDENTIAL INFORMATION IS PROVIDED “AS IS”. EACH PARTY MAKES NO WARRANTIES, EXPRESS, IMPLIED OR OTHERWISE, REGARDING ITS ACCURACY, COMPLETENESS OR PERFORMANCE.

7. Return of Materials. All documents and other tangible objects containing or representing Confidential Information which have been disclosed to a Receiving Party by the Disclosing Party, and all copies thereof which are in the possession of the Receiving Party, shall be and remain the property of the Disclosing Party and shall be promptly returned to the Disclosing Party upon the Disclosing Party’s written request.

8. No License. Nothing in this Agreement is intended to grant any rights to either party under any patent, copyright, trademark, trade secret or other intellectual property rights of the other party, nor shall this Agreement grant either party any rights in or to the other party’s Confidential Information except as expressly set forth herein.

9. Term. The obligations of a Receiving Party hereunder shall continue for a period terminating on the date five (5) years from the date on which Confidential Information is last disclosed under this Agreement.

10. Remedies. Each party agrees and acknowledges that any violation or threatened violation of this Agreement will cause irreparable injury to the other party, entitling the other party to obtain injunctive relief in addition to any other rights and remedies available to such party at law or in equity.

11. Miscellaneous. This Agreement shall bind and inure to the benefit of the parties hereto and their successors and permitted assigns. This Agreement shall be governed by the laws of the Commonwealth of Virginia, without reference to conflict of laws principles. This document contains the entire agreement between the parties with respect to the subject matter hereof. Any failure to enforce any provision of this Agreement shall not constitute a waiver thereof or of any other provision hereof. This Agreement may not be amended, nor any obligation waived, except by a writing signed by both parties hereto. Neither party may assign its rights or obligations hereunder without the other party’s written consent.

12. Severability. In the event any term of this Agreement is found by any court to be void or otherwise unenforceable, the remainder of this Agreement shall remain valid and enforceable, and, to the fullest extent permitted by law, such offending term or terms shall be replaced with an enforceable term or enforceable terms that as nearly as possible effect the parties’ intent.

Your Name Here.

By:

Name:

Title:

Date:

Contract Engineering Services

By: Dwight D. Smith

Name:

Title:Owner

Date: