

## BI-LATERAL NON-DISCLOSURE AGREEMENT

This Agreement is made by and between Hickory Flats, Inc., and Subsidiaries (hereinafter sometimes referred to as "HFI"), having a principal registration in the state of Alabama, City of Huntsville. USA and

(hereinafter sometimes referred to as "Client"), having a principal place of business at

and sets forth the terms and conditions for the protection, use and disclosure of confidential Proprietary Information by either Party to the other.

1. For purposes of this Agreement, HFI and Client may be collectively referred to as the "Parties" or individually referred to as a "Party", "Disclosing Party", "Receiving Party" or "Recipient." "Proprietary Information" shall include, but is not limited to, technical, business or financial information which: (a) is originated by or otherwise peculiarly within the knowledge of the one Party; (b) is currently protected against unrestricted disclosure to others; and (c) pertains to the Subject Program. "Subject Program" or "Program" refers to the Program of "general procurement, idea and product development, product marketing, logistic services and consolidation, and other general business/product development".

2. In consideration for the disclosure of Proprietary Information, the Receiving Party agrees: (a) to hold Proprietary Information in trust and confidence and to only disclose or otherwise provide access to the same to those of its employees, directors, officers, affiliates or consultants, ("Individuals") with a bona fide need to know, provided that said Individuals have been made aware of their obligations hereunder, agree to be bound by the same and have entered into confidentiality agreements with its Individuals which are no less restrictive than this one. In any event, the Receiving Party shall be responsible for the actions and inactions of its Individuals, and agrees, at its expense, to take all reasonable measures to restrain those Individuals from the unauthorized disclosure or use of the Proprietary Information; and (b) to refrain from using the same except for the purposes of Subject Program related proposal(s) and contractual effort, and all task order(s) associated therewith, if any, without prior approval of the Disclosing Party.

3. All financial information including costs, prices, fees, and budgetary concerns exchanged between the Parties is hereby deemed to be Proprietary Information and shall need no legend to be protected.

4. A Recipient of Proprietary Information hereunder further agrees: (a) to preserve and protect such information indefinitely; and (b) to exercise the same degree of care it uses to preserve and protect its own Proprietary

Information and in no event shall less than a reasonable degree of care be utilized.

5. A Recipient of Proprietary Information hereunder will have no obligation or restriction and shall not be liable to a Party claiming a proprietary interest for disclosure of Proprietary Information if the same is: (a) in the public domain at the time of disclosure, or subsequently falls into the public domain without restriction through no wrongful act or omission on the part of the Receiving Party; (b) to the best of Recipient's knowledge, information and belief, lawfully known to the Receiving Party at the time of disclosure without restrictions on its use, as evidenced by competent proof; (c) independently developed by the Receiving Party, as evidenced by competent proof; (d) used or disclosed inadvertently or accidentally despite the exercise of the same degree of care that each Party takes to preserve or safeguard its own Proprietary Information, provided Receiving Party notifies Disclosing Party forthwith and subsequently exerts reasonable efforts to prevent any further inadvertent or accidental disclosure or use; (e) used or disclosed with the prior written approval of the Disclosing Party; (f) furnished to Recipient by a source other than Disclosing Party who, to the best of Recipient's knowledge, information and belief, has provided the same to Recipient lawfully; (g) not identified as Proprietary; or (h) is disclosed as required by judicial action, provided Receiving Party notifies Disclosing Party forthwith and provides reasonable assistance, at Disclosing Party's request and expense, in contesting such disclosure within the timeframe allotted by the governing rules. If any portion of a Party's Proprietary Information falls within any one of the above exceptions, the remainder shall continue to be subject to the foregoing prohibitions and restrictions. HFI is not required to disclose to clients the possession of similar existing prior information by another Client. This will be the case when such times arise that may involve; (a-1) two clients who have independently or without the assistance or guidance of HFI gathered or acquired the same or similar information regarding any such "subject program" of any sort. Furthermore; (a-2) HFI agrees to show no preferential treatment or unbalanced advantage to one client over another, when the same information, sources, or methods of performing the "program" are used. In addition, HFI will not withhold due diligence, reasonable effort, or moral business practices to one client in preferential treatment to another client, when two or more clients could be considered as being in competition for market, branding, or production development of any kind related to the "project" of any such client.

6. The Receiving Party shall only make such copies of the Disclosing Party's Proprietary Information as are reasonable and necessary in carrying out its activities under this Agreement. At termination of project or any such period to be determined by either party, the Receiving Party may provide Disclosing Party with a Request of Termination, which at which point the Receiving Party will delete, erase, or otherwise terminate possession of other party's proprietary information.

7. The Parties agree to keep confidential the names of any contacts introduced or revealed to the other party, and that their firm, company, associates, corporations, joint ventures, partnerships, divisions, subsidiaries, employees, agents, heirs, assigns, designees, or consultants will not contact, deal with, negotiate or participate in any transactions with any of the contacts without first entering a written agreement with the Party who provided such contact unless that Party gives prior written permission. Such confidentiality will include any names, addresses, telephone, telex, facsimile numbers, and/or other pertinent information disclosed or revealed to either Party.

8. The Parties shall not disclose any classified information under this Agreement in any manner contrary to applicable law and regulations of the United States of America.

9. The Parties shall not disclose any Proprietary Information in any manner contrary to the export control laws and regulations of the United States of America.

10. This Agreement is solely for the purpose of protecting Proprietary Information and shall not be construed in any manner as a teaming agreement, joint venture, contractual arrangement or as an obligation to enter into a contract, subcontract, or other business relationship, or result in any claim whatsoever for reimbursement of any costs or expenses for any effort, including the performance of work, expended by either Party hereto. No claims arising under or relating to his Agreement shall be made by either Party against the other, except for claims relating to any breach or threatened breach of the obligations of either Party hereunder. However, both Parties acknowledge that money damages would not be sufficient remedy for any breach or threatened breach of this Agreement by either Party and that the non-breaching Party may seek equitable relief, including injunction and specific performance, as a remedy for any such breach. Such remedies shall not be deemed exclusive remedies for breach, but shall be in addition to all other remedies which may be available at law or equity to the non-breaching Party. The prevailing Party may be entitled to recover its costs and reasonable attorneys' fees from the other Party.

11. HFI hereby agrees not to circumvent Client, and Client agrees not to circumvent HFI, with regards to the Program or the Client and that they will not make contact with, solicit, deal with, or otherwise be involved in any transaction(s) with regard to any source, contact, corporations, organizations, firms, companies or individuals and/or other entity that HFI introduces to or discusses with Client, or Client introduces to or discusses with HFI in regards to a specific "program" or the proprietary information held within, without the express written or oral permission of HFI or CLIENT respectfully

12. Neither this Agreement nor any interest herein may be assigned, in whole or in part, by either Party without the prior written consent of the other Party.

13. This Agreement shall continue in force for a term of five (5) years from the date shown below, but prior to the expiration of such term, may be terminated at any time by either Party giving thirty (30) days prior written notice to the other Party; provided, however, the obligations to protect Proprietary Information contained herein shall survive such expiration or termination for the time period set forth in this section.


14. No rights or obligations other than those expressly recited herein are to be implied from this Agreement. Neither the execution of this Agreement, nor the furnishing of any information hereunder shall be construed as granting, either expressly or by implication, or otherwise, any license under any invention or patent or other intellectual property now or hereafter owned by or controlled by the Disclosing Party. No license, express or implied, shall inure to the benefit of the other participating Party as a result of a patent being granted to one of the Parties for inventions or trademarked material made exclusively by its employees or parties. None of the information which may be submitted or exchanged by the respective Parties shall constitute any representation, warranty, assurance, guaranty, or inducement by either Party to the other with respect to the infringement of patents, copyrights, trademarks, trade secrets, or any other rights of others.

15. The validity and interpretation of this Agreement shall be governed by the laws of the State of Alabama, the registered state of incorporation for HFI.

17. This Agreement is effective as of the date of last signature hereto and is the entire understanding and agreement of the Parties relating to protection of Proprietary Information. Neither Party shall be bound by any additional or other representation, condition, or promise except as subsequently set forth in writing signed by the Party to be

bound. This Agreement shall apply in lieu of and notwithstanding any specific legend or statement associated with any Proprietary Information exchanged and the rights and obligations of the Parties shall be determined exclusively by this Agreement. If any portion of this Agreement is held to be invalid, such decision shall not affect the validity of the

remaining portions. Each person executing this Agreement represents and warrants that each has full authority to bind his/her Company hereunder. Each Party also hereby agrees that a facsimile copy, email copy, or any otherwise digital copy or copies of one or both signatures hereto shall have the full force and effect as an original.

\_\_\_\_\_  
By:   
(Signature)

Name: Tim Jordan  
Title: Director, North American Division  
Hickory Flats, Inc.

Date: To be enforced and understood as same date signed by accompanying Client or party.

\_\_\_\_\_  
By: \_\_\_\_\_  
(Signature)

Name: \_\_\_\_\_  
Title: \_\_\_\_\_

\_\_\_\_\_  
(Date)