
P/N 31721 Rev 03

NON-DISCLOSURE AGREEMENT

WHEREAS, ANACOM, INC., (“Disclosing Party”) has developed unique and proprietary technology, business strategies and financial information;

WHEREAS, _____(Receiving Party”) has approached Disclosing Party concerning a relationship between the Disclosing Party and the Receiving Party; and

WHEREAS, the Disclosing Party is interested in discussing the possibility of such a relationship with the Receiving Party;

NOW, THEREFORE:

The Receiving Party understands that the Disclosing Party has disclosed or may disclose information (including, without limitation, certain proprietary technology, business strategies, code, algorithms, names and expertise of employees and consultants, know-how, formulas, processes, ideas, inventions (whether patentable or not), schematics and other technical, business, financial and product development plans, forecasts, strategies and information), which to the extent previously, presently, or subsequently disclosed to the Receiving Party is hereinafter referred to as “Proprietary Information” of the Disclosing Party.

In consideration of the parties’ discussions and any access the Receiving Party may have to Proprietary Information of the Disclosing Party, the Receiving Party hereby agrees as follows:

1. The Receiving Party agrees (i) to hold the Disclosing Party’s Proprietary Information in confidence as fiduciary and to take all necessary precautions to protect such Proprietary Information (including, without limitation, all precautions the Receiving Party employs with respect to its confidential materials), (ii) not to divulge any such Proprietary Information or any information derived therefrom to any third person, (iii) not to make any use whatsoever at any time of such Proprietary Information except to evaluate internally whether to enter into the currently contemplated business relationship with the Disclosing Party, (iv) not to remove or export any such Proprietary Information from the United States and (v) not to copy or reverse engineer, reverse compile or attempt to derive the composition or underlying information of any such Proprietary Information. Any employee affiliated with the Receiving Party given access to any such Proprietary Information shall be similarly bound in writing. Without granting any right or license, the Disclosing Party agrees that the foregoing shall not apply with respect to information the Receiving Party can document (i) is in the public domain (and is readily available without substantial effort) at the time of disclosure or which thereafter enters the public domain (and is readily available without substantial effort), through no improper action or inaction by the Receiving Party or any affiliate, agent or fellow employee, or (ii) was in its possession or known by it prior to receipt from the Disclosing Party, or (iii) was rightfully disclosed to it by another person without restriction.

2. Immediately upon a request by the Disclosing Party at any time (which will be effective if actually received or if mailed first class postage prepaid to the Receiving Party’s address herein), the Receiving Party will turn over to the Disclosing Party all Proprietary Information of the Disclosing Party and all documents or media containing any such Proprietary Information and any and all copies or extracts thereof. The Receiving Party understands that nothing herein (i) requires the Disclosing Party to proceed with any proposed transaction or relationship in connection with which Proprietary Information may be disclosed.

3. Except to the extent required by law, neither party shall disclose the existence or subject matter of the negotiations or business relationship contemplated by this Agreement.

4. The Receiving Party acknowledges and agrees that due to the unique nature of the Disclosing Party's Proprietary Information, there can be no adequate remedy at law for any breach of its obligations hereunder, that any such breach may allow the Receiving Party or third parties to unfairly compete with the Disclosing Party resulting in irreparable harm to the Disclosing Party, and therefore, that upon any such breach or any threat thereof, the Disclosing Party shall be entitled to appropriate equitable relief in addition to whatever remedies it might have at law and to be indemnified by the Receiving Party from any loss or harm, including, without limitation, attorney's fees, in connection with any breach or enforcement of the Receiving Party's obligations hereunder or the unauthorized use or release of any such Proprietary Information. The Receiving Party will notify the Disclosing Party in writing immediately upon the occurrence of any such unauthorized release or other breach. In the event that any of the provisions of this statement shall be held by a court or other tribunal of competent jurisdiction to be unenforceable, the remaining portions hereof shall remain in full force and effect. This Agreement supersedes all prior discussions and writings and constitutes the entire agreement between the parties with respect to the subject matter hereof. No waiver or modifications of this Agreement will be binding upon either party unless made in writing and signed by a duly authorized representative of such party or the Receiving Party and no failure or delay in enforcing any right will be deemed a waiver.

5. This Agreement shall be governed by the laws of the State of California, without regard to conflicts of laws provisions thereof and each party submits to the jurisdiction and venue of any California State or federal courts generally serving the Santa Clara County area with respect to the subject matter of the Agreement.

AnaCom, Inc.,

the Disclosing Party

By:

Title:

Address:

1996 Lundy Ave.
San Jose, CA 95131

Date: _____

the Receiving Party

(Signature)

(Print Name)

Address:

Date: _____