

MUTUAL CONFIDENTIALITY AGREEMENT

This Agreement is made by and between _____, having a principal place of business at _____ and _____ having a principal place of business at _____.

1. Party Definitions. For purposes of this Agreement, "Discloser" shall mean the party disclosing its Confidential Information, as that term is defined in Paragraph 2 ("Definition of Confidential Information") of this Agreement. "Recipient" shall be the receiving party of such information.

2. Definition of Confidential Information. "Confidential Information" as used in this Agreement shall mean any and all technical and non-technical information including patent, copyright, trade secret, and proprietary information, techniques, sketches, drawings, models, inventions, know-how, processes, apparatus, equipment, algorithms, software programs, software source documents, and formulae related to the current, future and proposed products and services of each of the parties, and includes, without limitation, their respective information concerning research, experimental work, development, design details and specifications, engineering, financial information, procurement requirements, purchasing, manufacturing, customer lists, business forecasts, sales and merchandising, and marketing plans and information. "Confidential Information" also includes (a) proprietary or confidential information of any third party who may disclose such information to either party in the course of the other party's business, and (b) any samples furnished by Discloser to Recipient hereunder.

3. Nondisclosure and Nonuse Obligation. Each of the parties agrees that it will not make use of, disseminate, or in any way disclose any Confidential Information of the other party to any person, firm or business, except to the extent necessary for negotiations, discussions, and consultations with personnel or authorized representatives of the other party, and any purpose the other party may hereafter authorize in writing. Furthermore, the existence of any business negotiations, discussions, consultations or agreements in progress between the parties shall not be released to any form of public media without written approval of both parties. Each of the parties agrees that it shall treat all Confidential Information of the other party with the same degree of care as it accords to its own Confidential Information, and each of the parties represents that it exercises reasonable care to protect its own Confidential Information. If either party is not an individual, such party agrees that it shall disclose Confidential Information of the other party only to those of its employees who need to know such information and certifies that such employees have previously agreed, either as a condition to employment or in order to obtain the Confidential Information, to be bound by terms and conditions substantially similar to those of this Agreement. Recipient will immediately give notice to Discloser

of any unauthorized use or disclosure of the Confidential Information. Recipient agrees to assist Discloser in remedying any such unauthorized use or disclosure of the Confidential Information.

4. Exclusions from Nondisclosure and Nonuse Obligations. Each party's obligations under Paragraph 3 ("Nondisclosure and Nonuse Obligations") with respect to any portion of the other party's Confidential Information shall terminate when the party seeking to avoid its obligation under such Paragraph can document that: (i) it was in the public domain at or subsequent to the time it was communicated to Recipient by Discloser through no fault of Recipient; (ii) it was rightfully in Recipient's possession free of any obligation of confidence at or subsequent to the time it was communicated to Recipient by Discloser; (iii) it was developed by employees or agents of Recipient independently of and without reference to any information communicated to Recipient by Discloser; (iv) it was communicated by the Discloser to an unaffiliated third party free of any obligation of confidence; or (v) the communication was in response to a valid order by a court or other governmental body, was otherwise required by law, or was necessary to establish the rights of either party under this Agreement.

5. Ownership of Confidential Information and Other Materials. All Confidential Information, and any Derivatives thereof whether created by Discloser or Recipient, remain the property of Discloser and no license or other rights to Confidential Information is granted or implied hereby. For purposes of this Agreement, "Derivatives" shall mean: (i) for copyrightable or copyrighted material, any translation, abridgment, revision or other form in which an existing work may be recast, transformed or adapted; (ii) for patentable or patented material, any improvement thereon; and (iii) for material which is protected by trade secret, any new material derived from such existing trade secret material, including new material which may be protected by copyright, patent and/or trade secret. All materials (including without limitation, documents, drawings, models, apparatus, sketches, designs and lists) furnished to one party by the other, and which are designated in writing to be the property of such party, shall remain the property of such party and shall be returned to it promptly at its request, together with any copies thereof.

6. Independent Development. Discloser understands that Recipient may currently or in the future be developing information internally, or receiving information from other parties that may be similar to Discloser's information. Accordingly, nothing in this Agreement will be construed as a representation or inference that Recipient will not develop products, or have products developed for it, that, without violation of this Agreement, compete with the products or systems contemplated by Discloser's Confidential Information.

7. Disclosure of Third Party Information. Neither party shall communicate any information to the other in violation of the proprietary rights of any third party.

8. No License. Nothing in this Agreement shall be construed as a grant of any license rights to use the Discloser's proprietary rights, inventions or know-how, unless and until a definitive agreement is mutually negotiated and signed.

9. No Warranty. All Confidential Information is provided "AS IS" and without any warranty, express, implied or otherwise, regarding its accuracy or performance.

10. No Analysis. Recipient agrees not to analyze or have others analyze any samples furnished by the Discloser to determine their chemical composition or physical characteristics without the express written consent of the Discloser.

11. No Export. Neither party shall export, directly or indirectly, any technical data acquired from the other pursuant to this Agreement or any product utilizing any such data to any country for which the Government of Japan or any agency thereof at the time of export requires an export license or other government approval without first obtaining such license or approval.

12. Term. This Agreement shall govern all communications between the parties that are made during the period from the effective date of this Agreement for a period of five (5) years, provided, however, that each party's obligations under Paragraph 3 ("Nondisclosure and Nonuse Obligations") with respect to Confidential Information of the other party which it has received during the term of this Agreement shall continue for three (3) years from the date of disclosure unless terminated pursuant to Paragraph 4 ("Exclusions from Nondisclosure and Nonuse Obligations"). For the purpose of establishing mutually recognized dates of disclosure, all oral disclosures of Confidential Information shall be documented in writing by the Discloser and delivered to the Recipient of such Confidential Information not more than ten (10) days from the date of such disclosure. Written documentation of disclosure of Confidential Information shall comprise, as a minimum, the date of disclosure, the parties present during the disclosure and the general nature of the disclosed Confidential Information.

13. No Assignment. Neither party shall assign or transfer any rights or obligations under this Agreement without the prior written consent of the other party.

14. Notices. Any notice required or permitted by this Agreement shall be in writing and shall be delivered as follows with notice deemed given as indicated: (i) by personal delivery when delivered personally; (ii) by overnight courier upon written verification of receipt; (iii) by telecopy or facsimile transmission upon acknowledgment of receipt of electronic transmission; or (iv) by certified or registered mail, return receipt requested, upon verification of receipt. Notice shall be sent to the addresses set forth above or such other address as either party may specify in writing.

15. Governing Law. This Agreement shall be governed in all respects by the laws of Japan; as such laws are applied to agreements entered into and to be performed entirely within Japan between Japanese residents.

16. Severability. Should any provisions of this Agreement be held by a court of law to be illegal, invalid or unenforceable, the legality, validity and enforceability of the remaining provisions of this Agreement shall not be affected or impaired thereby.

17. Waiver. The waiver by Discloser of a breach of any provision of this Agreement by Recipient shall not operate or be construed as a waiver of any other or subsequent breach by Recipient.

18. Injunctive Relief. A breach of any of the promises or agreements contained herein by Recipient will result in irreparable and continuing damage to Discloser for which there will be no adequate remedy at law, and Discloser shall be entitled to injunctive relief and/or a decree for specific performance, and such other relief as may be proper (including monetary damages if appropriate).

19. Entire Agreement. This Agreement constitutes the entire agreement with respect to the Confidential Information disclosed herein and supersedes all prior or contemporaneous oral or written agreements concerning such Confidential Information. This Agreement may only be changed by mutual agreement of authorized representatives of the parties in writing.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the effective date written below.

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____