

STORCARD, INC.

MUTUAL NON-DISCLOSURE AGREEMENT

THIS AGREEMENT (this "Agreement") governs the disclosure of information by and between StorCard, Inc., a Delaware corporation and _____ as of _____ (the "Effective Date").

1. **Definition of Confidential Information.** As used herein, "**Confidential Information**" shall mean any and all (a) technical and non-technical information provided by either party to the other, whether written, embodied in tangible material, oral or visual, including but not limited to: (i) patents and patent applications, (ii) trade secrets, and (iii) proprietary information -- ideas, samples, media, techniques, sketches, drawings, works of authorship, models, inventions, know-how, processes, apparatuses, equipment, algorithms, software programs, software source documents, and formulae related to the current, future, and proposed products and services of the disclosing party and including, without limitation, information concerning research, experimental work, development, design details and specifications, engineering, financial information, procurement requirements, purchasing, manufacturing, customer lists, investors, employees, business and contractual relationships, business forecasts, sales and merchandising, marketing plans and information the disclosing party provides regarding third parties; (b) the existence of this Agreement and that Confidential Information is being made available to either party; and (c) the fact that discussions or negotiations are taking place between the parties.

If the Confidential Information is embodied in tangible material (including without limitation, software, hardware, drawings, graphs, charts, disks, tapes, prototypes and samples), it shall be labeled as "Confidential" or bear a similar legend. If the Confidential Information is disclosed orally or visually, it shall be identified as such at the time of disclosure and be confirmed in a writing to the receiving party within fifteen (15) days of such disclosure, referencing the place and date of oral or visual disclosure and the names of the employees of the receiving party to whom such oral or visual disclosure was made, and including therein a brief description of the Confidential Information disclosed.

2. **Non Disclosure of Confidential Information.** Each party agrees that at all times and notwithstanding any termination or expiration of this Agreement it will hold in strict confidence and not disclose to any third party Confidential Information of the other, except as approved in writing by the other party to this Agreement, and will use the Confidential Information for no purpose other than evaluating or pursuing a business relationship with the other party to this Agreement. Each party shall only permit access to Confidential Information of the other party to those of its employees, contractors, and consultants or authorized representatives having a need to know and who have signed confidentiality agreements or are otherwise bound by confidentiality obligations at least as restrictive as those contained herein.

Each party shall immediately notify the other upon discovery of any loss or unauthorized disclosure of the Confidential Information of the other party.

3. **Exclusions.** Each party's obligations under this Agreement with respect to any portion of the other party's Confidential Information shall terminate when the party to whom Confidential Information was disclosed (the "Recipient") can document that: (a) it was in the public domain at the time it was communicated to the Recipient by the other party; (b) it entered the public domain subsequent to the time it was communicated to the Recipient by the other party through no fault of the Recipient; (c) it was in the Recipient's possession free of any obligation of confidence at the time it was communicated to the Recipient by the other party; (d) it was rightfully communicated to the Recipient free of any obligation of confidence subsequent to the time it was communicated to the Recipient by the other party; (e) it was developed by employees or agents of the Recipient independently of and without reference to any information communicated to the Recipient by the other party; (f) it was communicated by the other party to an unaffiliated third party free of any obligation of confidence; (g) 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; or (h) it was not legended as Confidential Information of the disclosing party and if disclosed orally or visually, it was not identified as Confidential Information of the

disclosing party at the time of such communication and followed by a writing within fifteen (15) days of such disclosure.

4. **Return of Materials.** Upon termination or expiration of the Agreement, or upon written request of the other party, each party shall promptly return to the other all documents and other tangible materials representing the other's Confidential Information and all copies thereof.

5. **No Property Rights or License.** The parties recognize and agree that nothing contained in this Agreement shall be construed as granting any property rights, by license or otherwise, to any Confidential Information of the other party disclosed pursuant to this Agreement, or to any invention or any patent, copyright, trademark, or other intellectual property right that has issued or that may issue, based on such Confidential Information. Neither party shall make, have made, use or sell for any purpose any product or other item using, incorporating or derived from any Confidential Information of the other party.

6. **Reproduction Prohibited.** Confidential Information shall not be reproduced in any form except as required to accomplish the intent of this Agreement. Any reproduction of any Confidential Information of the other party by either party shall remain the property of the disclosing party and shall contain any and all confidential or proprietary notices or legends which appear on the original, unless otherwise authorized in writing by the other party.

7. **Termination.** This Agreement shall terminate six (6) months after the Effective Date, or may be terminated by either party at any time upon thirty (30) days written notice to the other party. The Recipient's obligations under this Agreement shall survive termination of the Agreement between the parties and shall be binding upon the Recipient's heirs, successors and assigns. The Recipient's obligations hereunder shall continue in full force and effect with respect to non-technical sales, marketing, and financial Confidential Information for three (3) years from the date of disclosure of such Confidential Information

8. **Warranty.** All Confidential Information is provided AS IS and without any warranty, express, implied or otherwise regarding its accuracy, completeness or otherwise.

9. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of California without reference to conflict of laws principles. Any disputes under this Agreement may be brought in the state courts and the Federal courts located in San Francisco County, California, and the parties hereby consent to the personal jurisdiction and venue of these courts. This Agreement may not be amended except by a writing signed by both parties hereto.

10. **Remedies.** Each party acknowledges that its breach of the Agreement will cause irreparable damage and hereby agrees that the other party shall be entitled to seek injunctive relief under this Agreement, as well as such further relief as may be granted by a court of competent jurisdiction.

11. **Severability.** If any provision of this Agreement is found by a proper authority to be unenforceable or invalid such unenforceability or invalidity shall not render this Agreement unenforceable or invalid as a whole and in such event, such provision shall be changed and interpreted so as to best accomplish the objectives of such unenforceable or invalid provision within the limits of applicable law or applicable court decisions.

12. **Third Party Rights.** Neither party shall communicate any information to the other in violation of the proprietary rights of any third party.

13. **Assignment.** Neither party will assign or transfer any rights or obligations under this Agreement without the prior written consent of the other party, which written consent shall not be unreasonably withheld.

14. **Export.** Notwithstanding any other provision of this Agreement 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 U.S. Government or any agency thereof at the time of export requires an export license or other governmental approval without first obtaining such license or approval.

15. **Notices.** All notices or reports permitted or required under this Agreement shall be in writing and shall be delivered by personal delivery, electronic mail, facsimile transmission or by certified or registered mail, return receipt requested, and shall be deemed given upon personal delivery, five (5) days after deposit in the mail, or upon acknowledgment of receipt of electronic transmission. Notices shall be sent to the addresses set forth at the end of this Agreement or such other address as either party may specify in writing.

IN WITNESS WHEREOF, the parties hereto have caused this Mutual Non-Disclosure Agreement to be executed as of the Effective Date.

StorCard, Inc.

By: _____

By: _____

Date: _____

Date: _____

Address: 5402 Hellyer Avenue
_____ San Jose, CA 95138

Address: _____

Fax: (408) 284-0198

Fax: _____

E-Mail: _____

E-Mail: _____