

**MUTUAL NON-DISCLOSURE AND
CONFIDENTIALITY AGREEMENT**

This agreement not to disclose Trade Secrets is dated _____, by and between _____
"Company" whose principal office is located at _____ and Telrite Corporation,
whose principal address is located at 4113 Monticello Street, Covington, GA 30014, hereinafter referred to as "Telrite". Both
Company and Telrite shall be known hereinafter as the "Parties" to this Agreement and individually as "Party".

WHEREAS Parties are negotiating the entry into a business relationship and/or are entering a business relationship, requiring both
Parties to hold each other in a position of trust and confidence;

WHEREAS Parties wish to prevent the disclosure of confidential and valuable information to third Parties; and

In mutual consideration of Parties disclosures of proprietary information to each other, the Parties agree to the following terms and
conditions:

1. Definitions

- a. "Confidential Information" means information relating to the Parties (1) which is not generally known to the public or easily ascertained by the public, or the time and/or effort Telrite or Company expended in creating, sorting, gathering, organizing or otherwise manipulating the information is substantial and material; (2) if disclosed to or used by any person or entity other than the Parties would provide such person with an advantage over the Parties or any person or entity involved in a transaction with the Parties or which could be used to the detriment of the Parties, or would be of great value to that person or entity; (3) reasonable efforts are made by Parties to protect this information commensurate with the type of information, value of information and other factors and (4) may be kept in a variety of forms including but not limited to printed, electronic, digital, voice communication, electronic mail, database, and audio recording. "Confidential Information" as here defined includes "Trade Secrets" as defined herein. Confidential Information may include, but is not limited to, information concerning (a) lists of former, current or potential customers, (b) pricing schedules and formulae, (c) past, present or future research done by the Parties respecting the business or operations, (d) work performed by employee for any person who has entered into a transaction with Parties, (e) packaging or production processes, (f) lists of former, current or potential suppliers or (f) any method or procedure relating or pertaining to projects developed by the Parties or contemplated by the Parties to be developed. Confidential Information also includes information, which has been disclosed to the Parties by a third Party and which the Parties are obligated to treat as confidential.
- b. "Trade Secrets" is defined under the O.C.G.A. 10-1-760 et seq. as information, without regard to form, including, but not limited to, technical or non-technical data, a formula, a pattern, a compilation, a program, a device, a method, a technique, a drawing, a technique, a drawing, a process, financial data, financial plans, product plans, or a list of actual or potential customers or suppliers which is not commonly known by or available to the public and which information derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.
- c. "Misappropriation" means (A) acquisition of a Trade Secret or Confidential Information of another by a person who knows or has reason to know that the Trade Secret or Confidential Information was acquired by improper means; or (B) disclosure or use of a Trade Secret or Confidential Information of another without express or implied consent by a person who: (i) used improper means to acquire knowledge of a Trade Secret or Confidential Information; (ii) At the time of disclosure or use, knew or had reason to know that knowledge of the Trade Secret or Confidential Information was: (I) derived from or through a person who had utilized improper means to acquire it; (II) acquired under circumstances giving rise to a duty to maintain its secrecy or limit its use; or (III) derived from or through a person who owed a duty to the person seeking relief to maintain its secrecy or limit its use; or (iii) before a material change of position, knew or had reason to know that it was a Trade Secret or Confidential Information and that knowledge of it had been acquired by accident or mistake.

2. Acknowledgement of Confidential Information: Parties hereby acknowledge that certain papers, lists, processes, etc., are Confidential Information. Parties acknowledge that the following items used in conducting the business of Telrite or the Company, the negotiation and ongoing business relationship between the Parties customers, prospective or contractual, are proprietary, confidential, unique and valuable, and that the disclosure of said materials to anyone other than the Parties defined in this Agreement, without obtaining prior written consent, will cause irreparable injury:

- a. Lists of former, current or potential customers, pricing schedules and formulae, call lists, and other confidential customer data, including, but not limited to, tariff pricing and contractual information;
- b. Memoranda, notes, records, and other confidential vendor or purchasing data, sketches, plans, drawings and other confidential research and development data, network design, manufacture supply and service agreements, and the composition of products or service;
- c. Business plans, business strategy, product pricing, financing schemes, notes and records.

3. Agreement Not to Disclose: Parties shall keep each others Confidential Information and Trade Secrets in strict confidence, and shall require its respective affiliates, equity owners, officers, directors, employees, consultants, professional representatives and/or agents who have a need to know, to retain in strict confidence, and Parties shall use the same degree of care used to protect its own confidential or proprietary information of like importance, but in any case using no less than a

reasonable degree of care, will not use or disclose to others, or permit the use or disclosure of, any Confidential Information or Trade Secret.

- a. The foregoing restrictions on each Party's use or disclosure of Confidential Information shall not apply to information that the non-owning Party can demonstrate:
 - i. was dependently developed by or for the non-owning Party without reference to the information, or was received without restrictions; or
 - ii. has become generally available to the public without breach of confidentiality obligations of the non-owning Party; or
 - iii. was in the non-owning Party's possession without restriction or was known by the non-owning Party without restriction at the time of disclosure; or
 - iv. is the subject of a subpoena or other legal or administrative demand for disclosure; provided, however, that the receiving Party has given the disclosing Party prompt notice of such demand for disclosure and the non-owning Party reasonably cooperates with the owning Party's efforts to secure an appropriate protective order.
4. **Term:** The term of this Agreement shall begin upon the sate of signing and last until three (3) years following the termination of the business relationship between the Parties for any reason whatsoever. Such termination should be in writing and sent to the other Party by certified mail, return service requested. Upon such termination, all Confidential Information should be returned to the owner.
5. **Forfeiture:** To the extent any provision or portion of this Agreement shall be held, found or deemed to be unreasonable, unlawful or unenforceable, then any such provision or portion thereof shall be modified to the extent necessary in order that any such provision or portion thereof shall be legally enforceable to the fullest extent permitted by applicable law. Parties do hereby expressly authorize any court of competent jurisdiction to enforce any such provision or portion thereof or to modify any such provision or portion thereof in order that any such provision or portion thereof shall be enforced by such court to the fullest extent permitted by applicable law.
6. **Assignment:** This Agreement may not be assigned by either Party hereto, except to an Affiliate or successor in interest, without the prior express written consent of the other Party, which consent shall not be unreasonably withheld or delayed. This Agreement shall be binding upon the Parties hereto and their respective successors and permitted assigns.
7. **Waiver:** The waiver, amendment or modification by the Parties of any breach of this Agreement by the other Party shall not be effective unless in writing, and no such waiver shall operate or be constructed as a waiver of the same of another breach on a subsequent occasion. No failure or delay in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof, or the exercise of any right, power or privilege hereunder.
8. **Remedy:** Parties hereto agree that money damages may be an inadequate remedy for a breach hereof. Accordingly, upon any breach or threatened breach of confidentiality, the owner of the Confidential Information shall be entitled to specific performance and injunctive or other equitable relief as a remedy for any such breach or anticipated breach without the requirement of posting any bond or other security whatsoever, all such requirements being hereby waived in full. Any such relief shall be in addition to and not in lieu of any appropriate relief in the way of monetary damages.
9. **Choice of Law:** This Agreement shall be governed by and construed in accordance with the laws of the State of Georgia.
10. **Entirety:** This Agreement constitutes the entire understanding between the Parties with respect to the Confidential Information provided hereunder.

IN WITNESS WHEREOF, The Parties hereto have executed this Agreement on the date set forth above.

Company

BY: _____
Signature

Printed Name Title

Telrite Corporation

BY: _____
Signature

Printed Name Title