

MUTUAL NON-DISCLOSURE AND CONFIDENTIALITY AGREEMENT

This Mutual Non-disclosure and Confidentiality Agreement ("Agreement") is made by and between Appster, Inc. ("Appster") and the Client as named in the signature column below.

Appster and Client are sometimes collectively referred to herein as the "Parties" and individually as a "Party". A Party includes the entity named herein, its successors and assigns, any of its present or future corporate parents, subsidiaries, and organizations controlled by, controlling or under common control with such Party.

Each of the Parties may be the "Disclosing Party" and the other party will be deemed to be the "Receiving Party"

RECITALS

A. Appster is in the business of software and hardware concept development, Software and hardware development and marketing, amongst other things ("Appster Services").

B. Client wishes to discuss with Appster the Client's software and hardware concept(s) and or projects. Client has started conceptualizing their software project and made an assessment of the opportunities for the Client project.

C. In connection with the evaluation and/or pursuit of a mutually beneficial business opportunity or relationship (the "Purpose"), each Party hereto may disclose to the other certain non-public and proprietary information relating to their respective technologies, operations and businesses.

D. The Parties wish to preserve the confidentiality and prevent the unauthorized disclosure and use of any such non-public and proprietary information disclosed to the other hereunder.

THEREFORE, it is agreed as follows:

1. Confidential Information: As used herein, the term "Confidential Information" shall mean all non-public information disclosed hereunder, whether written or oral, that is designated as confidential or that, given the nature of the information or the circumstances surrounding its disclosure, reasonably should be considered as confidential. Confidential Information shall include, but not be limited to research and development activities, methods, technology, vendors, computer hardware and software, products, designs, drawings, trade secrets, inventions (discoveries, concepts and ideas, whether patentable or not, including but not limited to processes, methods, formulas, and techniques as well as improvements thereon), data, including personal data and technical data, know-how, financial papers and statements, customer lists, business partners, business affiliates, alliances, target customers, and information regarding operating procedures, pricing methods, marketing strategies, customer relations, future

plans and other information deemed proprietary or confidential by the Disclosing Party, and all record-bearing media containing or disclosing such information.

2. Non-Disclosure: As a condition to receiving the Confidential Information which the Disclosing Party may furnish to the Receiving Party or to which the Receiving Party is afforded access, directly or indirectly, the Receiving Party shall not directly or indirectly, at any time, without the prior written consent of the Disclosing Party, use or disclose the Confidential Information (including the identity of the Disclosing Party) or any part thereof to any third party or in a manner detrimental to the Disclosing Party or for any use other than necessary for the Purpose.

3. Exclusions to Confidential Information: The term Confidential Information does not include information which:

- (a) has been or becomes published and publicly available or is now, or in the future, in the public domain without breach of this Agreement or breach of a similar agreement by a third-party;
- (b) prior to disclosure hereunder, is property within the legitimate possession of the Receiving Party which can be verified by independent evidence;
- (c) subsequent to disclosure hereunder, is lawfully received from a third-party having rights therein without restriction of third-party's or the Receiving Party's rights to disseminate the information and without notice of any restriction against its further disclosure; or
- (d) is independently developed by the Receiving Party through persons who have not had, either directly or indirectly, access to or knowledge of such Confidential Information which can be verified by independent evidence.
- (e) is disclosed pursuant to a requirement of a governmental entity or the disclosure of which is required by law.

4. Disclosure pursuant to regulatory requirements: If Receiving Party is requested by a governmental entity or other third-party to disclose any Confidential Information, it will promptly notify Disclosing Party to permit Disclosing Party to seek a protective order or take other appropriate action. Receiving Party will also cooperate in Disclosing Party's efforts to obtain a protective order or other reasonable assurance that confidential treatment will be afforded the Confidential Information. If, in the absence of a protective order, Receiving Party, in the written opinion of its counsel addressed to Disclosing Party, is compelled as a matter of law to disclose the Confidential Information, it may disclose to the party compelling the disclosure only the part of the Confidential Information as is required by law to be disclosed (in which case, prior to such disclosure, Receiving Party will advise and consult with Disclosing Party and its counsel as to such disclosure and the nature and wording of such disclosure) and Receiving Party will use its best efforts to obtain confidential treatment therefor.

5. Permitted Disclosures: Confidential Information shall not, without the prior written consent of the Disclosing Party, be disclosed to any person or entity other than employees or agents of Receiving Party who need to know the Confidential Information

and in those instances only to evaluate the Purpose. The Receiving Party shall ensure that all such entities and personnel comply with the terms of this Agreement. The Receiving Party shall be responsible for any breach of this Agreement by its employees and/or agents and by any other person to whom the Receiving Party has disclosed the Confidential Information.

6. Protection of Confidential Information: Receiving Party agrees to and shall take all necessary steps to protect the confidentiality of the Confidential Information, including without limitation, limiting access to the Confidential Information, maintaining the Confidential Information in a secure location, assuring and confirming the return of copies of the Confidential Information from any recipients of the Confidential Information upon completion of such recipients' activities relating to the evaluation of the Confidential Information. The Receiving Party shall notify the Disclosing Party immediately, and cooperate with the Disclosing Party, upon Receiving Party's discovery of any loss or compromise of the Confidential Information. Recipient is prohibited from decompiling, disassembling, reverse engineering or otherwise or otherwise attempt to derive the human readable, source code version of the Disclosing Party's Confidential Information.

7. No Rights granted: Receiving Party acknowledges that the Confidential Information is the exclusive property of and belongs solely to the Disclosing Party and shall not claim otherwise for any purpose. This Agreement and the right granted to Receiving Party under this Agreement to evaluate the Confidential Information does not convey or grant to Receiving Party, or imply any current or future assignment, license, or any other transfer of rights in, to, or under the Confidential Information or any other patent, trademark, copyright, or any other intellectual property rights of Disclosing Party. The providing of the Confidential Information to Receiving Party pursuant to this Agreement shall not constitute any representation, warranty, assurance, guarantee or inducement by Disclosing Party to Receiving Party of any kind, and in particular, with respect to the non-infringement of patents, trademarks, copyrights or any other intellectual property rights or other rights of any third party.

8. Return or Destruction of Confidential Information: Receiving Party agrees to return to the Disclosing Party, destroy and/or permanently delete, at Disclosing Party's discretion, and certify in writing its destruction, permanent deletion and/or return, all written, tangible or otherwise accessible material in any form (including electronic media such as computer diskettes, CD-ROM, electronic copies or any material resident in the hard or external drive of any computer) containing or reflecting any Confidential Information (including all copies, summaries, excerpts, extracts or other reproductions) promptly following the Disclosing Party's request or the expiration of this Agreement, whichever is earlier. The destruction of Confidential Information does not release Receiving Party from its obligations under this Agreement.

9. No obligation to disclose: Nothing in this Agreement shall impose any obligation upon either Party to consummate a transaction, to enter into any discussion or negotiations with respect thereto, or to take any other action not expressly agreed to herein. Neither Party shall have any obligation to the other for any action such other Party may take or refrain from taking based on or otherwise attributable to any

information (whether or not constituting Confidential Information) furnished to such other Party hereunder.

10. Term of Agreement: This Agreement shall come into force on the Effective Date of this Agreement and be valid only if signed by the Client. This Agreement is intended to cover Confidential Information received by Receiving Party both on and subsequent to the date hereof. Unless extended by mutual written consent of both Parties hereto this Agreement shall expire one (1) year from the Effective Date, provided, however, that the Receiving Party's obligations with respect to the Confidential Information shall survive in perpetuity unless otherwise agreed to in writing by the Disclosing Party.

11. Remedy for Breach: In addition to any other rights and remedies available to Disclosing Party hereunder or at law, Receiving Party acknowledges and agrees that due to the nature of the Confidential Information its confidentiality obligations to Disclosing Party hereunder are of a unique character and agrees that any breach of such obligations will result in irreparable and continuing damage to Disclosing Party for which there will be no adequate remedy in damages. Notwithstanding anything to the contrary in this Agreement, Disclosing Party will be authorized and entitled to obtain injunctive relief, without the necessity of posting a bond even if otherwise normally required, and/or a decree for specific performance, and such further relief as may be proper from a court with competent jurisdiction.

12. No Warranty: Disclosing Party makes no representation or warranty as to the accuracy or completeness of the Confidential Information and that such information is provided "AS IS". Receiving Party agrees that Disclosing Party and its employees and agents shall have no liability to Receiving Party resulting from any use of the Confidential Information. Each party agrees to make its own assessment of the Confidential Information and satisfy itself as to the accuracy and completeness of that Confidential Information.

13. Entire Agreement: This Agreement constitutes the entire understanding between the Parties hereto and supersedes all previous communications, representations, and understanding, oral or written, between the Parties with respect to the subject matter of this Agreement. This Agreement may not be assigned or transferred by a Party, either by contract or by law, without the prior written consent of the other Party, which consent shall be at the other Party's sole and absolute discretion. This Agreement shall inure to the benefit of the respective Parties, their legal representatives, successors, and assigns.

14. No Publicity: Neither Party hereto shall in any way or in any form disclose, publicize or advertise in any manner the discussions that give rise to this Agreement or the discussions or negotiations covered by this Agreement or the contents of or the Parties to this Agreement without the prior written consent of the other Party.

15. Notices: Any notice in connection with this Agreement shall be deemed to be delivered to the other Party one business day after being sent by email; three

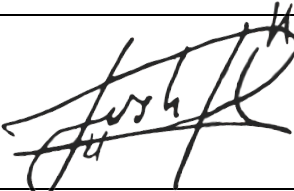
business days after being sent by certified or registered mail, return receipt requested; one business day after being sent by overnight courier; upon delivery if hand delivered; and upon confirmation of receipt if by facsimile to the Receiving Party's last known address or to such other address as requested by either Party by notice delivered in accordance with this provision.

16. Governing Law: This Agreement shall be governed by and construed in accordance with the laws of the State of California without regard to choice of law rules or conflict of law rules. The Parties hereby waive any and all rights that they may have to challenge the jurisdiction of such courts with respect to adjudicating all disputes relating to this Agreement.

17. No Waiver: No failure or delay by a Party in enforcing any right, power, or privilege created hereunder shall operate as an implied waiver thereof, nor shall any single or partial enforcement thereof preclude any other or further enforcement thereof or the enforcement of any other right, power, or privilege.

18. Validity of provisions: If any provision of this Agreement is illegal or unenforceable, its invalidity shall not affect the other provisions of this Agreement that can be given effect without the invalid provision. If any provision of this Agreement does not comply with any law, ordinance or regulation, such provision to the extent possible shall be interpreted in such a manner to comply with such law, ordinance or regulation, or if such interpretation is not possible, it shall be deemed to satisfy the minimum requirements thereof.

EXECUTED AS A DEED

Appster, Inc		Client:
25, Taylor Street, San Francisco, CA 94102		Address:
Sign: 		Sign:
Name: Josiah Humphrey		Name:
		Effective Date: