

CONFIDENTIALITY AGREEMENT

This Confidentiality Agreement (this "AGREEMENT") is made this.....day ofin the year

BETWEEN

Paragon Electronic Components Ltd whose place of business is Wolseley Road, Kempston, Bedford MK42 7UP, England and associated companies (hereinafter called "PARAGON ") of the one part.

AND, whose office is situated at, (hereinafter called.....).

WHEREAS

- (A) PARAGON is a trading company dealing with, including but not limited to, electronic components, populated circuit boards and fully assembled product.
- (B) is a supplier of products, goods and services requested or required by PARAGON.
- (C) PARAGON and would like to exchange technical and commercial information in order to obtain a quotation for, and the supply of, products, goods and services. (hereinafter called "the PURPOSE").

IN CONSIDERATION of the mutual exchange of the said information concerning the PURPOSE IT IS HEREBY AGREED as follows:

1. "INFORMATION" shall mean any and all technical, financial, commercial or other information which has been and will be communicated by one party to the other in any form whatsoever including, but not limited to oral, visual and written communications whether or not marked as being proprietary but excluding information which:-
 - 1.1. Is in the public domain at the time of disclosure or the receiving party can show is in, or comes into, the public domain after disclosure otherwise than by a breach of this agreement; or
 - 1.2. The receiving party can show was already in its possession free of any restriction of the disclosing party prior to receipt from the disclosing party; or
 - 1.3. The receiving party can show it has received from a bona fide third party without breach of any obligation to the disclosing party; or
 - 1.4. The receiving party can show has been independently generated without use of or reference to the INFORMATION.

For the purposes of all the aforementioned exceptions (1.1-1.4) the burden of proof upon the receiving party in showing that such conditions exist shall be beyond any reasonable doubt.

- 2.** In respect of all INFORMATION which may be disclosed by one party to the other or acquired by one party from the other under this AGREEMENT, the receiving party undertakes:-
 - 2.1.** To keep such INFORMATION in strict confidence, and not to use the INFORMATION otherwise than for the PURPOSE.
 - 2.2.** Only to disclose such INFORMATION to such of its employees as need-to-know for the purposes of this AGREEMENT, and then only on the understanding that they agree to be similarly bound by the provisions of this AGREEMENT. The receiving party shall be responsible for ensuring that all such employees comply with the obligations to keep such INFORMATION confidential as provided for in this AGREEMENT.
 - 2.3.** Not to disclose such INFORMATION to any third party except with the prior written consent of the disclosing party.
 - 2.4.** Not to copy or reduce such INFORMATION to writing except as may be strictly necessary for the PURPOSE.
 - 2.5.** To return to the disclosing party upon request all such INFORMATION of such disclosing party held in any form whatsoever including all copies thereof, and to destroy or redact out and destroy such INFORMATION and then destroy all notes and any other written reports or documents which may have been made by the receiving party and which contain any part of such INFORMATION, except as authorised in writing by the disclosing party, or as is strictly necessary to complete any outstanding obligations relating hereto between the parties.
 - 2.6.** That the duty of care which it ascribes to such INFORMATION received shall be not less than that which the receiving party customarily ascribes to the protection of its own confidential

information, and in any event no less than a reasonable degree of care.

3. The property in all INFORMATION disclosed by either party to the other pursuant to this AGREEMENT shall, subject to any right of any other owner, remain with the disclosing party.
4. The parties hereby represent that the disclosure of Confidential Information to the receiving party will not be contrary to any laws or regulations or in breach of any obligations of the disclosing party to any third party.
5. Except as otherwise required by law, none of the parties hereto shall issue any press release or make any other public statement, in each case relating to, connected with, or arising out of this AGREEMENT or the matter contained herein, without obtaining the prior approval of the other to the contents and the manner of presentation and publication thereof.
6. No licence or other rights are granted in the Information by the disclosing party to the receiving party by reason of disclosure in accordance with this AGREEMENT. The receiving party undertakes to use such Information only in pursuance of the PURPOSE or in pursuance of such other objective(s) as the disclosing party may indicate in writing at the time of disclosure and subject to such other limitations as may be imposed by the disclosing party in its absolute discretion.
7. The parties acknowledge that damages would not be an adequate remedy for any breach of this AGREEMENT and hereby agree that the courts shall have jurisdiction to order (inter alia) specific performance and/or injunctive relief and will not seek to object to such relief being granted on the grounds that damages would be adequate compensation.
8. This AGREEMENT shall commence on the effective date on the face hereof and, unless terminated by the mutual agreement of the parties, shall remain in force for a period of three years therefrom. The obligation as to confidentiality of INFORMATION received and disclosed hereunder shall

remain in force for a period of 5 years from the date of termination of this AGREEMENT.

9. This AGREEMENT may only be amended or supplemented by the written agreement of the parties.
10. This AGREEMENT shall be construed and interpreted in accordance with English Law.
11. The foregoing constitutes the entire agreement between the parties with respect to the subject matter hereof.

Signed for and on behalf of
PARAGON ELECTRONIC COMPONENTS LTD

Signed for and on behalf of

Signature:

Signature:

Name: (Print)

Name (Print)

Title

Title

Date:

Date: