

MUTUAL NONDISCLOSURE AGREEMENT

THIS MUTUAL NONDISCLOSURE AGREEMENT (this "Agreement") is entered into and effective as of the date of the last signature below (the "Effective Date"), between Dali Wireless, Inc., a Delaware corporation, and its affiliates ("Dali Wireless") and _____, and its affiliates ("_____").

1. Confidential Information. "Confidential Information" means all confidential and/or proprietary information disclosed or made available by one party as "Discloser" to the other as "Recipient", including but not limited to, (a) business plans, financial reports, financial data, employee data, customer lists, forecasts, strategies, and all other business information; and (b) software or firmware code, semiconductor or printed circuit board layout diagrams, product designs and/or specifications, algorithms, computer programs, mask works, inventions, unpublished patent applications, manufacturing or other technical or scientific know-how, specifications, technical drawings, diagrams, schematics, technology, processes, and any other trade secrets, discoveries, ideas, concepts, know-how, techniques, materials, formulae, compositions, information, data, results, plans, surveys and/or reports of a technical nature or concerning research and development and/or engineering activity. Confidential Information may be that of Discloser or of third parties to whom Discloser has an obligation to treat the disclosed information as confidential. Confidential Information also includes copies, notes, abstracts and other tangible embodiments made by Recipient that are based on or contain any of such information, as well as the existence and progress of the Purpose (described in Section 4 below).

2. Identification of Confidential Information.

Information will be considered to be Confidential Information and protected under this Agreement if it is identified as "confidential" or "proprietary" at the time of disclosure or if the information should reasonably be considered to be confidential or proprietary due to its nature or the context of its disclosure.

3. Purpose. Recipient covenants and agrees to use Discloser's Confidential Information solely to evaluate possible business opportunities between the parties (the "Purpose").

4. Protection of Confidential Information. Each party acknowledges that the other party claims that its Confidential Information is a valuable and unique asset and agrees to the following:

(a) Recipient (i) will not disclose the Confidential Information to any third party except as provided in Section 4(a)(ii); (ii) will not disclose the Confidential Information to its employees or independent contractors unless the employees or independent contractors have a need to know the Confidential Information for the Purpose

and have executed a written confidentiality agreement at least as restrictive as this Agreement; and (iii) will use the Confidential Information solely for the Purpose and will not use it for the benefit of any third party. Recipient will use the same degree of care to protect the Confidential Information from unauthorized use or disclosure as it would use to protect its own information of a similar nature, but in no event with less than reasonable care.

(b) Recipient's obligations under this Agreement with respect to particular information do not apply to the extent that: (i) Discloser authorizes Recipient in writing to disclose such information to third parties; (ii) Recipient knows such information at the time of disclosure by Discloser, free of any obligation to keep it confidential, as evidenced by written records; (iii) such information is or becomes generally known in the relevant industry without fault of Recipient; (iv) employees of Recipient independently develop such information without access to or use of the Discloser's Confidential Information, as evidenced by written records; or (v) Recipient rightfully obtains such information from a third party who has the right to disclose the information without violation of any confidentiality obligations. However, even if certain information is already known, Discloser's use of the information (including the fact of the party's use and the manner and results of use) may not be and thus would be considered to be Confidential Information.

(c) Notwithstanding anything herein to the contrary and except as reasonably necessary to comply with any applicable federal and state securities laws, Recipient (and each employee, representative, or other agent of Recipient) may disclose to any and all persons, without limitation of any kind, the U.S. federal and state tax treatment and tax structure of the transaction and all materials of any kind (including opinions or other tax analyses) that are provided to Recipient relating to such U.S. federal or state tax treatment and tax structure ("Tax Information"). For this purpose, "tax structure" is any fact that may be relevant to understanding the U.S. federal or state tax treatment of the transaction. However, the foregoing shall not be construed to permit disclosure by Recipient of any information of a technical nature concerning research and development and engineering activity disclosed by Discloser, including without limitation, software or firmware code, semiconductor or printed circuit board layout diagrams, product designs or specifications, manufacturing know-how, and patent applications.

DALI WIRELESS, INC.
MUTUAL NONDISCLOSURE AGREEMENT
(_____)

(d) If Recipient is subject to judicial or governmental proceedings requiring disclosure of particular Confidential Information, or if Recipient intends to disclose any Tax Information to a third party, then, prior to any such disclosure, Recipient will provide Discloser with reasonable prior written notice and will obtain, or provide Discloser with an opportunity to obtain, a protective order or confidential treatment of the Confidential Information or Tax Information.

5. Return of Confidential Information. All Confidential Information of Discloser remains the property of that party and will be returned to Discloser along with all copies thereof or destroyed at its request. Within 30 days of receiving such a request from Discloser, Recipient will comply with the request and provide a written certification, signed by an officer, of its compliance.

6. No License or Warranty. No license under any patents, copyrights, mask work rights, trademarks or other proprietary rights is granted by the disclosure of or access to Confidential Information under this Agreement. ALL CONFIDENTIAL INFORMATION IS PROVIDED "AS IS", WITHOUT ANY EXPRESS OR IMPLIED WARRANTIES, INCLUDING BUT NOT LIMITED TO A WARRANTY THAT IT IS ACCURATE OR COMPLETE OR A WARRANTY AGAINST INFRINGEMENT.

7. No Inducement or Commitment. Each party will determine in its sole discretion the information to be disclosed to the other party. Neither the disclosure nor access to Confidential Information under this Agreement constitutes an inducement or commitment to enter into any business relationship. If the parties desire to pursue business opportunities together, the parties will execute a separate written agreement with respect to such opportunities.

8. Term & Termination. This Agreement will be effective from the Effective Date and will continue until written notice of termination is provided by either party to

the other. All provisions of this Agreement relating to Confidential Information disclosed pursuant to this Agreement prior to termination will survive.

9. Assignment & Binding Effect. Neither party may assign this Agreement without the other party's prior written consent, except that no such consent is needed in the event of a party's assignment or transfer of the majority of its stock or all or substantially all of its assets to which the Purpose relates, as part of a merger, acquisition or asset sale. Any assignment in violation of this Agreement will be void. This Agreement benefits and binds the parties to this Agreement and their respective successors and permitted assigns.

10. Jurisdiction & Venue. This Agreement will be governed by and construed in accordance with the laws of the State of California, exclusive of its choice of law principles. The state and federal courts located in Santa Clara County, California have exclusive jurisdiction and venue over any dispute arising out of or relating to this Agreement. Each party consents to the personal jurisdiction and venue of these courts.

11. Entire Agreement. This Agreement contains the entire understanding, and supersedes any and all prior and contemporaneous agreements (oral or written), between the parties regarding this Agreement's subject matter. This Agreement will not be modified, and no provision will be waived, except by a writing that both parties sign. A party's failure to require performance will not affect the right to require performance at any later time. If any part of this Agreement is unenforceable, the rest will remain in effect.

12. General. Each party will comply with all applicable export control laws, rules and regulations. Any notice under this Agreement, if sent to the party entitled to such notice at the address set forth below, will be deemed to have been provided 3 days after the notice is sent by certified mail (postage prepaid), or the next business day if the notice is sent by national overnight service.

DALI WIRELESS, INC., on behalf of itself and its affiliates:

By: _____

Name: _____

Title: _____

Date: _____

Address: 125 University Avenue, Suite 88
Palo Alto, CA 94301
USA

_____, on behalf of itself and its affiliates:

By: _____

Name: _____

Title: _____

Date: _____

Address: