

CONFIDENTIALITY AGREEMENT

This Agreement made this _____ day of _____, 20____, by and between Qual-Tron, Inc., hereinafter "QTI," a corporation organized and existing under the laws of the State of Oklahoma, with its principal office located at 9409 East 55th Place South, Tulsa, OK. 74145-7052, and _____, an _____ corporation, hereinafter "Recipient," with offices at _____.

WITNESSETH

WHEREAS, QTI possesses certain technical, trade secret, engineering, and other proprietary and confidential information relating to QTI products and services, hereinafter referred to as "Information"; and

WHEREAS, Recipient desires to review that Information solely for the purpose of

WHEREAS, in connection with discussions, meetings, conversations, and correspondence between the undersigned concerning the Information, QTI is willing to disclose that Information to Recipient; and

WHEREAS, QTI considers this Information to be of significant commercial value and QTI agrees to disclose such Information to Recipient only for the Purpose set forth above and under the terms and conditions set forth below, and Recipient agrees to receive such Information only for the Purpose set forth above and under such terms and conditions contained herein.

NOW, THEREFORE, in consideration of the mutual covenants expressed herein and other good and valuable consideration, the undersigned agree as follows:

1. QTI will provide to Recipient, Information pertinent to the _____, and which in the opinion of QTI is reasonable necessary to accomplish said purpose.
2. Recipient shall keep confidential and not use except for the Purpose set forth above, or disclose to third parties, Information which has been or may hereafter be made available to Recipient, directly or indirectly, by QTI without the prior written consent of QTI. Recipient shall not disclose the Information other than to such of Recipient's employees as have a need for such Information in furtherance of the Purpose for which Recipient is authorized to use it. Recipient will require all of its personnel to whom such Information will be disclosed to prevent the unauthorized use or disclosure of the Information. Recipient will comply with any other specific security measure that QTI may request in writing to protect the Information.

3. The undersigned agree that the Information provided by QTI to Recipient shall be and remain at all times the sole and exclusive property of QTI and, Recipient shall, upon written request from QTI, for any cause whatsoever, promptly return to QTI all Information which has been or may hereafter be received or acquired by Recipient, directly or indirectly from QTI, together with all originals, copies, excerpts, revisions, notes, condensations, or memorandum thereof in the possession of Recipient.

4. The provisions of Paragraphs 1. through 3. of this Agreement shall not apply to Information which:

- a. Is by reasonable proof in the possession of Recipient on the date of receipt, or
- b. Is or becomes public knowledge other than by default on the part of the Recipient, or
- c. Is obtained by the Recipient from a third party having no duty of confidence to either party in respect of such confidential Information.

5. If Recipient has reason to believe that any third party is using the Information without QTI's authorization, Recipient shall immediately notify QTI in writing thereof. QTI may thereupon institute such legal proceedings as it may deem fit in order to prevent such unauthorized use. In such event, the cost of such proceedings instituted by QTI shall be borne by QTI and all damages recovered shall accrue to it. Recipient shall give all reasonable cooperation and assistance to QTI in such legal proceedings.

6. QTI and Recipient acknowledge and stipulate that the covenants and agreements contained in this Agreement are of special nature and that any breach, violation, or evasion by Recipient, or its employees, of the terms of this agreement will result in an immediate and irrevocable injury and harm to QTI, and will cause damage to QTI in amounts difficult to ascertain. Accordingly, QTI shall be entitled to the remedies of injunction and specific performance, or either of such remedies, as well as to all of the legal or equitable remedies to which QTI may be entitled.

7. This Agreement shall commence on the date of execution and continue in full force and effect for a period of ten (10) years from the date hereof, or, if notice is given pursuant to Paragraph 3. hereof, ten (10) years from the date of such notice.

8. The benefits and obligations bestowed upon Recipient by this Agreement shall not be assigned, delegated, transferred, or otherwise disposed of without the previous written consent of QTI.

9. No failure or delay on the part of any party in exercising any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or remedy preclude any other or further exercise thereof, or the exercise of any other right or remedy hereunder.

10. This Agreement cannot be changed or modified except by prior written agreement signed by the duly authorized representatives of QTI and Recipient.

11. This Agreement represents the entire understanding between the undersigned as to the matters herein contained and relative thereto and supersedes all other agreements, oral or written, express or implied, between the parties at the effective date of this Agreement.

12. This Agreement shall be executed by a duly authorized officer of Recipient who represents that he/she has proper corporate authority to enter into contracts binding the Recipient such as this Confidentiality Agreement.

13. This Agreement shall be governed by and construed in accordance with the laws of the State of Oklahoma.

IN WITNESS WHEREOF, this Agreement has been executed by the duly authorized representatives of the undersigned on the day and year first written above.

Qual-Tron, Inc. _____

By _____

By _____

Title

Title

ddt
Confidentiality Agreement
03 Mar 2003