
Mutual Nondisclosure and Confidentiality Agreement

This Confidentiality Agreement (the “Agreement”) is entered into and is effective as of Date, (the “Effective Date”) by and between Company (“Disclosee”) and New Potato Technologies, Inc., 5508 Business Drive, Wilmington, NC USA 28405 (“New Potato”).

1. Definition of Confidential Information.

For their mutual benefit, the parties plan to discuss certain confidential information regarding various aspects of New Potato and its business, customers, plans, finances, technology, and other related information. The parties acknowledge that the terms and conditions of this Agreement, the existence of the discussions between Disclosee and New Potato and information concerning these details, including but not limited to, each party’s product plans, designs, costs, prices and names, finances, marketing plans, business opportunities, personnel, research, development or know-how, will be considered confidential (“Confidential Information”); provided that the information disclosed by the disclosing party (“Discloser”) will be considered Confidential Information by the receiving party (“Recipient”), only if such information is conspicuously designated as “Confidential”; (i) in writing, if communicated in writing, or (ii) confirmed in writing prior to or within thirty (30) days of disclosure if disclosed orally. Notwithstanding the foregoing, Confidential Information shall not include information that: 1) is now or subsequently becomes generally available to the public through no fault or breach on the part of Recipient; 2) Recipient can demonstrate to have had rightfully in its possession prior to disclosure to Recipient by Discloser; 3) is independently developed by Recipient without the use of any Confidential Information; or 4) Recipient rightfully obtains from a third party who has the right to transfer or disclose such Confidential Information.

2. Nondisclosure and Nonuse of Confidential Information.

Recipient agrees to use reasonable care, but in no event no less than the same degree of care that it uses to protect its own confidential and proprietary information of similar importance, to prevent the unauthorized use, disclosure, publication, or dissemination of Confidential Information. Recipient agrees to accept Discloser’s Confidential Information for the sole purpose of evaluation in connection with Recipient’s business discussions with Discloser. Recipient agrees not to use Confidential Information otherwise for its own or any third party’s benefit without the prior written approval of an authorized representative of Discloser in each instance. Recipient may disclose Confidential Information if required by any judicial or governmental request, requirement or order; provided that Recipient will take reasonable steps to give Discloser sufficient prior notice in order to contest such request, requirement or order by notifying Discloser of such request. Additionally, Recipient may disclose Confidential Information to those consultants, legal counsel, financial advisors and other representatives who (i) have reasonable need to review and evaluate the Confidential Information, or portions thereof, (ii) have been informed about and are aware of this Agreement, and (iii) have agreed in writing, prior to being given access to any Confidential Information, to be bound by the terms and conditions of this Agreement.

3. No License to Confidential Information.

All Confidential Information remains the property of Discloser and no license or rights in the Confidential Information is granted or implied hereby. Recipient will not file any copyright registrations, patent applications or similar registrations of ownership on the Discloser's Confidential Information. In the event Recipient does so in violation of this Agreement, Recipient will assign to Discloser such registrations and applications. Subject to Recipient's patents and copyrights, Discloser is free to use and incorporate in Discloser's products any ideas, suggestions, or recommendations provided by Recipient regarding Discloser's Confidential Information, without payment of royalties or other consideration to Recipient.

4. Independent Development.

Discloser understands that Recipient may currently or in the future be developing information internally, or receiving information from other parties that may be similar to Discloser's information. Nothing in this Agreement will prohibit Recipient from developing products or services, or having products or services developed for it, that compete with Discloser's products or services, provided that in doing so, Recipient does not use or disclose Discloser's Confidential Information.

5. No Warranty.

Discloser warrants that it has the right to disclose the Confidential Information to Recipient. Otherwise, all information is provided "AS IS" and without any warranty, express or otherwise, regarding its accuracy or performance. Within ten (10) business days of receipt of Discloser's written request, and at Discloser's option, Recipient will either return to Discloser all tangible Confidential Information, including but not limited to all plans, documentation, notes, drawings, and copies thereof, or will provide Discloser with written certification that all such tangible Confidential Information has been destroyed.

6. Term.

Recipient's duty to protect Discloser's Confidential Information expires three (3) years from the date of disclosure of Confidential Information or three (3) years from the Effective Date, whichever is later.

7. No Export.

Recipient certifies that no Confidential Information, or any portion thereof, will be exported to any country in violation of the United States Export Administration Act and regulations there under.

8. Entire Agreement and Governing Law.

This Agreement constitutes the entire agreement with respect to the Confidential Information disclosed herein and supersedes all prior or contemporaneous oral or written agreements concerning such Confidential Information. This Agreement may not be amended except by the written agreement signed by the authorized representatives of both parties. This Agreement will be governed by and construed in

accordance with the laws of the State of North Carolina, excluding that body of North Carolina law concerning conflicts of law.

Understood and agreed to by the duly authorized representatives of the parties:

_____:

NEW POTATO TECHNOLOGIES INC._____:

By: _____

By: _____

Stuart E. Ross, CEO / President

Date: _____

Date: _____