

MUTUAL NON-DISCLOSURE AGREEMENT

This Mutual Non-Disclosure Agreement (“Agreement”) is entered into on _____, 20__, by and between Quantum Loophole, Inc., a Delaware corporation, on behalf of itself and its Affiliates, and _____, a _____ corporation / limited liability company / individual / limited partnership (circle one), on behalf of itself and its Affiliates.

In connection with possible business transactions between the parties, the parties hereby agree to the following:

Proprietary Information. Certain Proprietary Information may be requested by either party in order to evaluate the feasibility of funding, investment, or one or more services agreements and related transactions (collectively “Transactions”). In that regard, we each agree to keep all Proprietary Information confidential and proprietary and not to disclose or reveal any of it in any manner except for disclosures: (i) to Affiliates and those of our, and our Affiliates, directors, officers, employees, advisors, investors, potential investors, and agents of the foregoing (collectively, “Representatives”) who need to know such information for the purpose of evaluating the potential Transactions (it being understood that those Representatives will be informed of, and will be bound by, the confidential nature of the Proprietary Information and the terms of this Agreement), and (ii) as otherwise permitted by this Agreement. The term “Affiliates” as used in this Agreement means any entity in which the party hereto has a majority equity interest or otherwise controls or is controlled by a party hereto.

Definition of Proprietary Information. The term “Proprietary Information” shall mean all information disclosed by one party to the other party which is clearly marked “PROPRIETARY,” “CONFIDENTIAL,” or similarly by the disclosing party at the time of disclosure and shall also include certain oral information disclosed by one party to the other party, provided that the disclosing party designates such information as proprietary at the time of disclosure and gives recipient a written summary of such information within five (5) business days after the oral disclosure was made. Notwithstanding the foregoing, information disclosed by either party concerning proposals, strategy, ideas, software design, software code in any form, drawings, specifications, financial and pricing information and rates, product and marketing plans, company funding and structure, customer lists and targeted customers and categories of customers is hereby deemed to be Proprietary Information regardless of whether it is so identified or the form or manner by which it is disclosed. The term “Proprietary Information” does not include any information which: (i) was already known by the receiving party free of any obligation to keep it proprietary at the time of its disclosure by the disclosing party, (ii) becomes publicly known through no wrongful act of the receiving party, (iii) is rightfully received from a third person without knowledge of any such restrictions, (iv) is independently acquired or developed without violating any of our obligations under this Agreement, (v) is disclosed by a third person to the disclosing party without similar restrictions on such third persons rights, or (vi) is approved for release by written authorization of the disclosing party.

Required Disclosure. In the event that either of us or any of our Representatives is requested pursuant to, or required by, applicable law, regulation, or legal or administrative process to disclose any of the Proprietary Information, we will notify the disclosing party in writing, unless prohibited by law, regulation, subpoena or court order, or other legal or administrative prohibition, so that the disclosing party may seek a protective order or other appropriate remedy or, in its discretion, to waive compliance with the terms of this Agreement. In the event that no such protective order or other remedy is obtained, or if such party does not waive compliance with the terms of this Agreement, we each agree to furnish only that portion of the Proprietary Information which we are advised by counsel is legally required and that receiving party will use reasonable efforts to obtain reliable assurances that proprietary and confidential treatment will be accorded to the Proprietary Information.

Termination of Negotiations. If an agreement is not executed by the parties, we each agree upon written request to return to the other the original and all copies of the Proprietary Information in our possession or in the possession of our Representatives, and we will certify the destruction of all copies of the Proprietary Information and any analysis, compilations, studies, or other documents prepared by us or for our internal use which reflect the Proprietary Information; provided, however, that the receiving party and its Representatives may retain copies of any such information to the extent that such retention is required to demonstrate compliance with applicable law, rule, regulation, professional standards, or stored by virtue of back-up or redundant systems or processes, provided that any such information so retained shall be held in compliance with the terms of this Agreement.

No Representation/Warranty. Each party understands and acknowledges that neither of us, nor our Representatives, make any representation or warranty, expressed or implied, as to the accuracy or the completeness of the Proprietary Information,

and that any information concerning future plans may be tentative and is not intended to represent firm decisions by a party concerning the implementation of such plans. We each agree that neither of us, nor our Representatives, will have any responsibility to the other relating to or arising from our use of the Proprietary Information, except as may be specifically provided in any agreement that we may subsequently execute.

No Obligation to Execute Agreement. Each of us agrees that unless and until a definitive service agreement between us has been executed and delivered, neither party will be under any legal obligation of any kind with respect to such service agreement by virtue of this Agreement nor any written or oral expression with respect to such an agreement by any of our Representatives, except, in the case of this Agreement, for the matters specifically agreed to herein.

Specific Performance. It is understood that any breach of this Agreement could cause irreparable harm to the non-breaching party, the amount of which would be extremely difficult to estimate. Accordingly, it is understood and agreed that monetary damages may not be a sufficient remedy for a breach of this Agreement and that the non-breaching party shall be entitled to seek specific performance and injunctive relief remedies for such breach or any threat of such breach. Such remedies shall not be deemed to be the exclusive remedies for any such breach but shall be in addition to all other remedies available at law or in equity.

Amendments and Waivers. This Agreement may be amended or modified, and any of the terms or covenants hereof may be waived, only by a written instrument duly executed by each of the parties hereto, or in the case of a waiver, by the party waiving compliance.

Applicable Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Texas. If any of the provisions of this Agreement shall be held by a court of competent jurisdiction to be invalid, unenforceable, or void, the remainder of this Agreement shall remain in full force and effect. If any action is brought to enforce the terms of this Agreement, the prevailing party shall be entitled to its costs and reasonable attorney's fees.

Assignment. Neither Party shall assign any of its rights or obligations hereunder, except to an Affiliate or successor in interest, without the prior, written consent of the other Party, which consent shall not be unreasonably withheld.

No Waiver. No failure or delay in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any right, power or privilege hereunder.

Severability. If any provision of this Agreement is found to be unenforceable, the remainder shall be enforced as fully as possible and the unenforceable provision shall be deemed modified to the limited extent required to permit its enforcement in a manner most closely representing the intention of the Parties as expressed herein.

Term. This Agreement shall become effective upon the date written above and shall continue for a period of three (3) years thereafter, or such longer period as set forth in a definitive agreement as applicable to such definitive agreement. The obligations of non-disclosure and limitation of use contained herein shall survive termination of this Agreement and shall continue, with respect to Proprietary Information which embodies trade secrets, for so long as such Proprietary Information embodies trade secrets.

Relationship of the Parties. This Agreement does not contemplate either party as the agent or legal representative of the other Party and does not create a partnership, joint venture, or brokerage relationship between the parties. Neither party shall have any authority to represent, agree for, or bind the other party in any manner whatsoever. This Agreement confers no rights of any kind upon any third party.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

Quantum Loophole, Inc.: _____

Name: _____
Title: _____
Date: _____

Name: _____
Title: _____
Date: _____