

MUTUAL CONFIDENTIALITY AGREEMENT

THIS AGREEMENT is made this xxx(insert date) day of xxx(Insert Month) , 20xx(Insert year)

BETWEEN on the one hand:

SEMEFAB LTD of Newark Road South, Eastfield Industrial Estate, Glenrothes, Fife,
KY74NS , SCOTLAND
(hereinafter referred to as "SEMEFAB")

and on the other:

XXXXXX(Insert Co Name) of XXXXXX(Insert Address)

(hereinafter referred to as "YYYYYYYYYYY")

WHEREAS SEMEFAB and YYYYYY wish to.xxxxxxx(Insert Preamble) for the :

Purpose of xxxxx(Insert Purpose), hereinafter referred to as the "Specific Purpose".

NOW IT IS HEREBY AGREED as follows:

1. For the purpose of this Agreement "Proprietary Product" shall mean the product itself including the design, chip layout, construction, material make up, topology, cross sectional information and electrical specification, all of which are to be regarded as and treated as 'Proprietary Information' in whatsoever form disclosed or made available by the Disclosing Party to the Receiving Party
2. For a period of five years from any supply of Proprietary Product and Proprietary Information Receiving Party shall
 - a) Not subject the Proprietary Product to reverse engineering or de-construction to extract the Proprietary Information.and specifically not to use any Proprietary Information for any commercial purpose other than as occasioned by the incorporation of the Proprietary Product itself into the Receiving Party's own product.
 - b) Hold in confidence and not make available or divulge to any third party such Proprietary Product or Proprietary Information other than as incorporated into the receiving Party's finished product .
 - c) Restrict disclosure of such Proprietary Information to such of its employees who need to know it in furtherance of the Specific Purpose.
 - d) In any case where it is authorised by the Disclosing Party to disclose to a third Party any Proprietary Information, only to make such disclosure to such third Party on terms substantially equivalent to those contained in this Agreement.
3. The obligations and restrictions provided in Clause 2 hereof shall not apply to information which:

- i) Is now or becomes available to the public other than by breach of this Agreement by the Receiving Party, or
- ii) The Receiving Party can show by written substantial evidence existed prior to the time of disclosure by the Disclosing Party and was in its possession at such time; or
- iii) Is developed independently by the Receiving Party or other third Party by persons having no access to the Proprietary Information.

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- 4. The parties hereto understand and agree that the Receiving Party does not acquire by implication or otherwise, any right in or title to Proprietary Information disclosed to the Receiving Party pursuant to this Agreement and that neither party has any obligation to provide such information to the other.
- 5. If the Receiving Party is found to have breached this Agreement, the Disclosing Party shall be entitled to seek injunctive relief and claim damages from the Receiving Party.
- 6. On termination of this Agreement for any reason each Party will on the request of the other, return to the other all documents containing Proprietary Information which it has received pursuant to this Agreement
- 7. This Agreement shall be effective from xxx(insert date dd/mm/yyyy) and shall terminate automatically three years thereafter or on completion of the Specific Purpose, whichever is the later. However, the obligations of confidentiality of section 2 shall survive such termination.
- 8. If any term or provision of this Agreement shall be found to be illegal or unenforceable then notwithstanding this Agreement, that term shall remain in full force and effect and such term or provision shall be deemed deleted, provided that where said invalid or unenforceable provision is a fundamental term of this Agreement, this Agreement may be terminated by either party forthwith
- 9. This Agreement cannot be changed except by written agreement between the parties.
- 10. This agreement shall be construed as a contract made in Scotland and according to Scottish law.

Signed by and on behalf of
SEMEFAB LTD

Allan James
PRINT NAME -----

Title: Joint Managing Director

Signed by and on behalf of
YYYYYY

PRINT NAME -----

Title: Director