



RECIPROCAL NON-DISCLOSURE AGREEMENT

This Reciprocal Non-Disclosure Agreement is made and entered into effective _____ 20__, by and between _____ with offices located at _____ (“Company”) and **Winding Automation, Inc.**, an Indiana corporation (“WAI”).

WHEREAS, the parties, for their mutual benefit, desire to disclose to the other certain specifications, product designs, drawings, prototypes, strategies and other business and/or technical information related to motor and coil winding machines, automated production systems and technologies provided by WAI (“Information”) which is proprietary to the disclosing party.

WHEREAS, WAI is an engineering design, consulting, manufacturer’s representative and integrator of production, processing and automation systems. WAI is willing to provide its services and confidential information to the Company and to protect such Information provided by the Company to the extent that the Company’s Information is proprietary, confidential and unique to the applications for which the Company desires to use specific technology and services by WAI in developing and manufacturing such technology for Company.

WHEREAS, WAI is not willing to limit its rights to use, develop, manufacture, processes and otherwise create integrated solutions relating to products or services which are not unique or specific to the Company’s Information.

NOW, THEREFORE, in consideration of the foregoing and of the covenants and conditions contained herein, the parties hereby agree as follows:

1. All information, documents and records provided by one party to the other, including its past, present and projected financial information, condition and status; manner of operation, its plans, product information or design, processes, procedures, engineering, services, pricing, software, licenses, and any other data or information concerning Company (collectively "Information") which is mutually disclosed orally, in writing, or by any other means shall be deemed as confidential and proprietary, and constitute trade secrets of Company, subject only to the exceptions set forth in Sections 3 and 4.

2. The receiving party shall hold such Information in confidence, shall use such Information only for the purposes for which the disclosing company has provided the Information, shall reproduce such Information only to the extent necessary for such purpose, shall restrict disclosure of such Information to its employees with a need to know (and advise such employees of the obligations assumed herein), and shall not disclosure such Information to any third party without prior written approval of the other party. The receiving party shall be responsible to ensure that any employees and/or professionals are bound to keep and maintain the Information in confidence in accord with the terms of this Agreement. The receiving party shall at all times keep the Information confidential and shall not disclose, publish or divulge in any manner the Information in whole or in part to any person, firm, corporation, partnership or any other entity that is not a signatory to this Agreement including, without limitations, any client or customer of the receiving party. The receiving party shall indemnify and hold the disclosing party harmless from and against any losses, damages, liabilities, costs and expenses, including attorney fees, incurred or suffered by the disclosing party as a result of a breach of this Agreement by the receiving party or its employees, agents, representatives or the professional advisors with whom the Information is shared.

3. Specifically, the Information shall not include an item(s):

- a. Which is independently developed by the receiving party or lawfully received free of restriction from another source having the right to so furnish such information; or
- b. After it has become generally available to the public without breach of this Agreement by the receiving party; or
- c. Which at the time of disclosure to the receiving party was known to such party free of restriction and evidenced by documentation in such party's possession; or
- d. Which the disclosing party agrees in writing is free of such restrictions.

4. Information provided hereunder shall be subject to the restrictions contained herein, only if it is writing or other tangible form when disclosed to the receiving party or, if not in tangible form, only if summarized in a writing so marked and delivered to the receiving party within thirty (30) days of such disclosure. Each party hereto shall endeavor to keep to a minimum the amount of Information that is furnished to the other upon which restrictions are imposed. Information, other than proprietary or confidential Information identified as provided above, shall not be subject to any restriction as to the receiving party's disclosure of use thereof.

5. No license to a party, under any trademark, patent, copyright, work protection right or any other intellectual property right, is either granted or implied by the conveying of Information to such party. None of the Information which may be disclosed or exchanged by the parties shall constitute any representation, warranty, assurance, guarantee or inducement by either party to the other of any kind, and, in particular, with respect to the non-infringement of trademarks, patents, copyrights, mask protection rights or any other intellectual property rights, or other rights of third persons.

6. Neither this Agreement nor the disclosure or receipt of Information shall constitute or imply any promise or intention to make any purchase or products or services by either party or its affiliated institutions or any commitment by either party or its affiliated Institutions with respect to the present or future marketing of any product or service.

7. All Information shall remain the property of the disclosing party and shall be returned upon written request or upon the receiving party's determination that it no longer has a need for such Information.

8. Each party agrees that all of its obligations undertaken herein as a receiving party shall survive and continue for a period of three (3) years after any termination of this Agreement. Notwithstanding any expiration or termination of this Agreement, all use and nondisclosure obligations under this agreement shall survive the expiration or termination of this Agreement (a) indefinitely, in the case of Information consisting of trade secrets, and (b) for a period of seven (7) years from the date of disclosure, in the case of all other Information.

9. The parties agree that any violation of this Agreement may cause irreparable injury to the disclosing party and that the disclosing party shall, therefore, be entitled to injunctive relief against the receiving party in the event of any breach or threatened breach of this Agreement. Additionally, the disclosing party shall be entitled to pursue all other legal and equitable remedies. In the event of any successful action by a party to enforce this Agreement and/or to correct a breach or threatened breach of this Agreement, the prevailing party shall be entitled to recover all costs and expenses of such action, including reasonable attorney's fees and expert witness fees.

10. This Agreement constitutes the entire understanding between the parties hereto as to the Information and merges all prior discussions between them relating thereto. No amendment or modification of this Agreement shall be valid or binding on the parties unless made in writing and signed on behalf of each of the parties by their respective duly-authorized officers or representatives. The failure of either party to enforce this Agreement in the event of any breach of any part of this Agreement shall not constitute waiver by such party of its rights no bar such party from enforcing this Agreement in the event of any other breach of this Agreement.

11. This Agreement shall be governed by the laws of the State of Indiana. Any dispute arising under or concerning this Agreement shall only be brought in either United States District Court for the Northern District of Indiana or the Allen County, Indiana Superior or Circuit Court and the parties accept exclusive jurisdiction in said Court(s).

IN WITNESS WHEREOF, the parties have executed this Agreement on the respective dates entered below.

“WAI”

“COMPANY”

Winding Automation, Inc.

By _____
(Signature)

Hartmut Hillenhagen
(Printed Name)

President
(Title)

(Date Signed)

By _____
(Signature)

(Printed Name)

(Title)

(Date Signed)