



HY-SPEED MACHINING, INC. CONFIDENTIALITY AGREEMENT

It is understood and agreed to that the confidential information that is and must be kept confidential. To ensure the protection of such information, and to preserve any confidentiality necessary under patent and/or trade secret laws, it is agreed that:

1. For purposes of this Agreement, a Discloser is a party disclosing confidential information to the other party. A Recipient is a party receiving confidential information from the other party. The confidential information to be disclosed can be described as and includes:

Invention description(s), technical and business information relating to proprietary ideas and inventions, ideas, patentable ideas, trade secrets, drawings and/or illustrations, patent searches, existing and/or contemplated products and services, research and development, production, costs, profit and margin information, finances and financial projections, customers, clients, marketing, and current or future business plans and models, regardless of whether such information is designated as "Confidential Information" at the time of its disclosure.

Confidential information may be disclosed by the Discloser to the Recipient (a) in written or other tangible form and designated confidential in writing at the time of disclosure, or (b) orally or visually and summarized and confirmed as confidential in writing within 30 days after the initial disclosure, and includes information ascertained by the Recipient from inspection and/or evaluation of samples provided to the Recipient by or on behalf of the Discloser and identified as confidential ("Samples"). The nature and scope of confidential information to be disclosed is within the sole discretion of the Discloser.

2. The Recipient agrees not to disclose the confidential information obtained from the Discloser to anyone unless required to do so by law. The Recipient agrees not to use Discloser's confidential information other than for the purpose of evaluating a potential business relationship. The Recipient agrees not to analyze the Discloser's Samples for chemical composition, unless the Discloser consents in writing.

The obligations of this section do not apply to any information that Recipient can show by written evidence:

- (a) was available to the public prior to disclosure, or becomes available after disclosure through no fault of the Recipient,
- (b) Recipient already possessed prior to receipt from Disclosure, or
- (c) Recipient acquired from a third party without obligation of confidence, or
- (d) was independently by the Recipient without access to the Discloser's confidential information.

Recipient may comply with a judicial order or other administrative or government order compelling disclosure of Discloser's confidential information, but Recipient must give Discloser reasonable prior notice to allow Discloser sufficient time to obtain confidential protection for its confidential



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