



HIGHLANDS

DIVERSIFIED SERVICES

NON-DISCLOSURE AGREEMENT

This Non-Disclosure Agreement ("Agreement") is made and entered as of _____, (“Effective Date”) by and between Highlands Diversified Services, Inc located at 250 Westinghouse Drive, London, KY. 40741, for itself and its affiliates and related entities ("HDS"), and _____ located at _____("Company")

1. Purpose.

HDS and Company wish to enter into a mutually beneficial business relationship for the purpose of business development . This relationship may result in the disclosures of certain confidential information of each party to the other party (“Confidential Information”). In consideration of the foregoing, the parties agree to be bound by the terms and conditions set forth in this Agreement.

2. Confidential Information.

"Confidential Information" means all technical and commercial information disclosed by one party hereto to the other, including but not limited to specifications, layout, designs, appearance, know-how, sample of either party’s products, or the business relationship between the parties, which may be contained in any form or medium and is disclosed or conveyed (i) in written or other tangible form and marked “confidential” or the like, or (ii) orally, visually or in other intangible form and designated as being confidential at the time of such disclosure and confirmed in writing within thirty (30) days of disclosure.

3. Acknowledgment.

The receiving party (the “Receiving Party”) acknowledges that Confidential Information received from the disclosing party (the “Disclosing Party”) is a valuable proprietary asset of the Disclosing Party and constitutes trade secrets of the Disclosing Party. The Receiving Party agrees that it has a duty to maintain Confidential Information as confidential and secret. The Receiving Party further acknowledges that disclosure to it of any Confidential Information is made in the strictest confidence and that it shall maintain Confidential Information as confidential and secret and shall avoid the unauthorized disclosure, use, publication, dissemination or other communication of Confidential Information to any third party, including, without limitation, any parent, subsidiary or affiliated or related entity of the Receiving Party, any client of the Receiving Party or entity with which the Receiving Party is merged and any successor or assign of the Receiving Party.

4. Nondisclosure.

- 4.1 The Receiving Party shall not disclose, publish, disseminate or otherwise communicate, directly or indirectly, in whole or in part, at any time or in any matter, any Confidential Information without the prior written consent of the Disclosing Party in each instance; nor shall the Receiving Party permit any of the Receiving Party's personnel, agents or representatives to do any of the foregoing.
- 4.2 Notwithstanding the foregoing, the Receiving Party may use Confidential Information for the sole purpose of internal evaluation and may disclose Confidential Information to its personnel who have a need to know Confidential Information for such purpose. If the Receiving Party so discloses any Confidential Information to its personnel, the Receiving Party agrees to take appropriate action (by instructions, agreement or otherwise) with them in order to satisfy its obligations under this Agreement with respect to maintaining the confidentiality and secrecy of Confidential Information.
- 4.3 Any Confidential Information which the Receiving Party acquires or becomes acquainted with may not be reproduced, copied or summarized without the prior written consent of the Disclosing Party in each instance.
- 4.4 The Receiving Party shall take any reasonable security precautions, at least as great as the precautions it takes to protect its own confidential information of the same nature or importance, but no less than a reasonable degree of care, to keep Confidential Information confidential.

5. Information Ownership.

The Disclosing Party has and shall retain all right, title and interest in and to Confidential Information and no license or right of any kind or nature in or to Confidential Information is granted to the Receiving Party hereby.

6. Return of Confidential Information.

Any Confidential Information received and the copies thereof made by the Receiving Party shall be immediately destroyed or returned to the Disclosing Party, at the option of the Disclosing Party, upon the termination of any business relationship between Company and HDS or upon receipt of a written request from the Disclosing Party.

7. Scope of Obligations.

7.1 **Binding Obligations.** The obligations contained in this Agreement are binding upon the Receiving Party and its directors, officers, employees, agents and representatives as long as any part of Confidential Information disclosed to the Receiving Party remains confidential. Any unauthorized disclosure or use of Confidential Information by a director, officer, employee, agent or representative of the Receiving Party (past, present or future) shall be deemed to be an unauthorized use or disclosure by the Receiving Party under this Agreement.

7.2 **Exceptions.** The Receiving Party has no obligation with respect to any Confidential

Information which (i) is disclosed to the Receiving Party by a third party not in violation of any obligation owed to the Disclosing Party, (ii) is required to disclose by law or legal process, provided, the Receiving Party shall provide prompt and sufficient prior written notice thereof to the Disclosing Party and, to the extent possible, such disclosure is subject to a confidentiality agreement consistent with this Agreement, (iii) is now or hereafter becomes available to the public through no fault of the Receiving Party, or (iv) is independently developed by the Receiving Party without the use of any Confidential Information provided by the Disclosing Party. The Receiving Party shall bear the burden of proof with respect to establishing that any Confidential Information falls within such exceptions.

8. Damage Reimbursement.

In the event that the Receiving Party breaches any confidentiality provision of this Agreement, the Disclosing Party shall be entitled to recover damages from the Receiving Party.

9. Term.

This Agreement shall become effective as of the Effective Date and shall remain in full force and effect for a period of five (5) year there from. The confidentiality obligations of the Receiving Party shall survive any termination or expiration of this Agreement for a period of five (5) years.

10. General Terms.

10.1 **Governing Law and Venue.** This Agreement and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the State of Kentucky, USA, without giving effect to principles of conflicts of law. The parties hereby submit to the jurisdiction of the federal and state courts of the state of Kentucky U.S.A. And the parties hereby agree that any such court shall be a proper forum for the determination of any dispute arising hereunder.

10.2 **Attorneys' Fees.** If any litigation or other legal proceeding relating to this Agreement occurs between the parties, the prevailing party shall be entitled to recover (in addition to any other relief awarded or granted) its reasonable costs and expenses, including attorneys' fees and costs incurred in such litigation or proceeding.

10.3 **Equitable Relief.** Either party acknowledges that Confidential Information has unusual and extraordinary value, and that the prospective breach of any provision of this Agreement by the Receiving Party will cause the Disclosing Party great and irreparable harm, for which remedies available at law are inadequate. Therefore, the Disclosing Party shall be entitled to injunctive and other equitable relief, including, but not limited to, specific performance, to prevent a breach, continued breach or threatened breach of this Agreement, in addition to the Damage Reimbursement referred to in Section 8 hereof.

10.4 **No Exclusive Remedy.** No remedy or election hereunder shall be deemed exclusive but shall be cumulative with all other remedies available at law or in equity.

10.5 **Severability.** If any term or provision of this Agreement is determined to be illegal,

invalid or otherwise unenforceable by a court of competent jurisdiction, then to the extent necessary to make such or this Agreement legal, valid or otherwise enforceable, such term or provision will be limited, construed or severed and deleted from this agreement, and remaining portion of such term or provision and the remaining other terms and provisions hereof shall survive, remain in full force and effect and continue to be binding, and will be interpreted to give effect to the intention of the parties hereto insofar as that is possible.

- 10.6 **Amendment and Modification.** This Agreement and any of its terms and provisions may only be amended, modified, supplemented or waived in a writing signed by both parties hereto.
- 10.7 **Entire Agreement.** This Agreement represents the entire agreement between the parties with respect to the subject matter hereof and replaces and supersedes any and all prior or contemporaneous agreements or understandings, written, oral or otherwise with respect to the subject matter hereof.
- 10.8 **Warranty.** Either party warrants and represents that the undersigned is duly authorized to sign and has the necessary right to execute this Agreement.

INTENDING TO BE BOUND, the parties hereto have signed this Agreement as of the date first set forth above.

Highlands Diversified Services, Inc.

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____