

VENDOR NONDISCLOSURE and PROPRIETARY RIGHTS AGREEMENT

This VENDOR NONDISCLOSURE and PROPRIETARY RIGHTS AGREEMENT (the "*Agreement*") is by and between ValveTech, Inc., a New York corporation, (hereinafter "*Disclosing Party*") and _____ (hereinafter "*Recipient*").

It is understood that a business relationship is or may be contemplated between the Disclosing Party and the Recipient. In this regard, Disclosing Party will furnish certain confidential, proprietary information and materials, including but not limited to all information related in any way to ValveTech, Inc., part no. _____, and all specifications, designs, requirements, drawings and processing, manufacturing and testing information which existed prior to or was developed during the creation of the aforementioned valve part no. (the "Confidential Information") to Recipient. For purposes of this Agreement, "Confidential Information" shall also include all information or material that has or could have commercial value or other utility in the business or prospective business of the Disclosing Party or its subsidiaries or affiliates, either now existing or developed by the Disclosing Party throughout the term of any agreement with the Recipient. Confidential Information also includes all information of which unauthorized disclosure could be detrimental to the interests of the Disclosing Party or its subsidiaries or affiliates whether or not such information is identified as Confidential Information by the Disclosing Party.

NOW, THEREFORE, in consideration of Disclosing Party furnishing the Confidential Information, and of the mutual covenants contained herein, the undersigned agree as follows:

1. The parties stipulate that the Confidential Information provided by Disclosing Party, whether, physical parts, on paper, communicated electronically or verbally, or in any other form or media, is confidential and proprietary, and has independent economic value, and as such, the Confidential Information constitutes the confidential intellectual property of Disclosing Party. Recipient shall not communicate Confidential Information to any third party and shall use its best efforts to prevent inadvertent disclosure of Confidential Information to any third party. The intent of the parties is to protect the Confidential Information which the Disclosing Party elects to disclose, but not to obligate the Disclosing Party to disclose any Confidential Information.
2. All materials including, without limitation, documents, drawings, models, apparatus, sketches, designs, and lists furnished to Recipient by Disclosing Party shall remain the property of Disclosing Party and shall be returned to Disclosing Party promptly at its request with all copies made thereof. This is to include, but not limited to any and all financial information or records that are exchanged.
3. Recipient (and its agents, employees and other representatives) agrees to use the Confidential Information solely in connection with the contemplated business relationship,

("Purpose") and agrees that the Confidential Information shall not be used for any other purpose or disclosed to any third party under any circumstances whatsoever, unless specifically agreed to by Disclosing Party in writing. The use of any Confidential Information for any reason other than the Purpose is strictly prohibited without the prior written permission of Disclosing Party.

4. Notwithstanding anything to the contrary in this Agreement, if at any point the Recipient receives notice that it is to submit any Confidential Information to the U.S. Government or any subdivision or quasi governmental agency then prior to such submission, the Recipient must disclose such fact to the Disclosing Party and the Disclosing Party shall have the right to provide the Recipient with the appropriate "form, fit and function data" that would satisfy such governmental submission requirements. The Recipient may only disclose such form fit and function data and shall not disclose the Confidential Information received hereunder, to the U.S. Government or any subdivision or quasi governmental agency.

5. Recipient shall instruct each of its employees who will have access to any Confidential Information as to its confidential nature and each such employee shall agree not to disclose the Confidential Information to anyone for any purpose not related to the contemplated business relationship without the express authorization of Disclosing Party. Recipient agrees to be responsible for any breach of this Agreement by any of its agents, employees and other representatives.

6. Recipient agrees not to reverse engineer any piece of Confidential Information, nor make any derivative works from any Confidential Information. Disclosing Party specifically reserves all rights in the Confidential Information to make derivative works from such Confidential Information.

7. Upon the termination of the business relationship between the parties for any reason, Recipient shall immediately return all documents and other written, graphical or electromagnetic records or documentation, and any and all other material of any kind, relating to any of the Confidential Information, and will not retain any copies, extracts or other reproductions of any such materials, in whole or in part, except as otherwise permitted in any ongoing license from the Disclosing Party.

8. Recipient agrees that this Agreement shall remain in force and effect, regardless of the termination of its business relationship with Disclosing Party.

9. This Agreement shall be governed by and interpreted and enforced in accordance with the laws of the United States of America and the State of New York, without regard to its principles of conflicts of law. In any action brought with respect to this Agreement, the parties hereby irrevocably submit and consent to the personal jurisdiction of each federal and state court located in the County of Monroe, State of New York.

10. In the event of any breach of this Agreement, Recipient agrees that Disclosing Party shall be entitled to injunctive relief as a cumulative and not necessarily successive or exclusive remedy to a claim for monetary damages. Recipient hereby agrees to indemnify the Disclosing Party against any and all losses, damages, claims, expenses, and attorneys' fees incurred or

suffered by the Disclosing Party as a result of a breach of this Agreement by Recipient or its agents, employees and other representatives.

11. This Agreement shall be controlling over any contrary terms contained in any other agreements or terms and conditions that are reached between the parties hereto and the parties agree that there are no understandings, agreements or representations, express or implied, with respect to the subject matter hereof that are not specified herein. This Agreement may not be amended or modified except by a written document that specifically refers to this Agreement and is signed jointly by the parties hereto. This Agreement shall be binding upon and inure to the benefit of the undersigned parties, their successors and assigns.

12. The failure of either of the undersigned to insist on strict compliance with any of the terms, covenants or conditions of this Agreement shall not be deemed a waiver of that term, covenant or condition, or a waiver of any other term, covenant or condition; nor shall any license, waiver or relinquishment of any right or power at any one time or times be deemed a license, waiver or relinquishment of that right or power for all or for any other times.

13. If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.

14. Except as otherwise provided in writing by the Disclosing Party, all of the Disclosing Party's Information will be considered "export controlled" for purposes of the International Traffic in Arms Regulations ("ITAR") and the Export Administration Regulations ("EAR"), whether labeled as "export controlled" or not. The Recipient agrees that it does not intend nor will it, directly or indirectly export or re-export any Confidential Information or confidential materials or any products or any part thereof process or service that is the direct product of the Confidential Information or materials to any country that is subject to US export restriction, or any national of any such country wherever located who intends to transmit or transport products back to said country; to any end user who either partly knows or has reason to know will utilize them in the design development or production of nuclear chemical or biological weapons or to any end user who has been prohibited in participating in any US export transactions by any Federal Agency of the US government.

IN WITNESS WHEREOF, the undersigned parties have duly executed this Agreement intending to be bound by its terms.

ValveTech, Inc.

By: _____
Name: Erin M. Mullally
Title: President
Date: _____

By: _____
Name: _____
Title: _____
Date: _____