

CONFIDENTIALITY AGREEMENT

(hereafter referred to as the "Agreement")

between

XXXXXXXXXX

(hereafter referred to as "XXXXX")

and

XXXXXXXXXX

("hereafter referred to as "XXXXX")

(each individually referred to as "Party", mutually referred to as "Parties")

Contemplate entering discussions about a business relationship and evaluation of Bookscan products.

In furtherance to these discussions it may become necessary or desirable for each Party to disclose to the other certain confidential and proprietary business and/or technical information in order to enable discussions to take place between them freely concerning the subject matter described above. It is subject of this agreement to ensure that the other Party does not use or further disclose any such information and ideas unless specifically authorized in writing to do so by the Party disclosing such information.

Now therefore it is hereby agreed as follows:

1. Any information or data of whatever kind or nature, including, but not limited to ideas, discoveries, inventions, specifications, formulae, programs, plans, drawing, models, requirements, standards, presentations, analysis; any kind of business, commercial, economic, financial or technical information and data which the Parties obtain from one another, irrespective of the medium in which such information or data is embedded, shall be regarded and treated as confidential and the property of that respective Party by the other Party and shall be called in this Agreement "Proprietary Information". Proprietary Information shall include any copies or abstracts made thereof as well as any apparatus, modules, samples, prototypes or parts thereof. Proprietary Information may not be marked or identified as such and shall still be considered Confidential Information so long as it is treated as confidential at the time of disclosure, or at the time the disclosure is designated as confidential, or is disclosed in circumstances of confidence, or would be understood by the parties exercising reasonable business judgment to be confidential, including information viewed or learned by a Party during a visit to the other party's (or other parties') facilities.
2. For a period of 1 year from the date of this Agreement or until this Agreement is replaced by another agreement between the same Parties dealing with the Proprietary Information, whichever is sooner the Parties each undertake:
 - (a) to keep the other Party's Proprietary Information confidential,

- (b) not to make any disclosure of the other Party's Proprietary Information to any third party, nor to use the other Party's Proprietary Information except solely for the purposes contemplated in this Agreement unless such further use of the Proprietary Information is specifically authorized in writing by the Party which owns or controls the Proprietary Information,
 - (c) to protect the other Party's Proprietary Information, whether in storage or in use, with the same degree of care as that Party uses to protect its own Proprietary Information against public disclosure but in no case with any less degree than reasonable care, and
 - (d) not to disclose one Party's Proprietary Information to any personnel or representative of the other Party other than those for whom such knowledge is essential for the purpose contemplated in this Agreement and such disclosure to them shall be made only under conditions of strict confidentiality.
 - (e) to defend and indemnify the disclosing Party against any claim or liability resulting from breach of this Agreement.
3. The obligations in this Agreement shall not apply to Proprietary Information which:
- (a) is already or becomes hereinafter published otherwise than through the fault or negligence of the Party that receives the Proprietary Information, or
 - (b) is lawfully obtained by one Party from a third party with full rights of disclosure, or
 - (c) is already known to the Party that receives the Proprietary Information at the date of receipt of the information pursuant to this Agreement, or
 - (d) is to the extent required to be disclosed by law, regulation, court order or other legal process provided the other Party is given prior written notice and the opportunity to intervene to protect its interest in nondisclosure; or
 - (e) is made available by the Party that discloses the Proprietary Information to a third Party without a nondisclosure restriction; or
 - (f) is independently developed by one Party and not derived from Proprietary Information supplied by the other Party.
4. Except as expressly herein provided, this Agreement shall not be construed as granting or confirming, either expressly or impliedly, any rights, licences or relationships by the furnishing of Proprietary Information pursuant to this Agreement.

5. All information, including drawings, specifications and other documents submitted by one Party to the other shall remain the property of the Party from which it originates. If either Party elects not to pursue the business contemplated by this Agreement each Party shall return to the other all such information, drawings, specifications and other documents and all copies thereof containing the Proprietary Information, within a period of six (6) months.
6. The return of documentation under Clause 5 above shall not be deemed to release either Party from its obligations contained in Clause 2 above.
7. Each Party shall use every reasonable endeavor to ensure that its own employees, employees agents, contractors, subcontractors and of its controlled affiliates* and any other persons having access to any Proprietary Information shall observe the obligations contained herein as if such employees, agents, contractors, subcontractors and other persons were a Party to this Agreement.
8. This Agreement is subject to the Laws of Japan. The jurisdiction will take place in Tokyo, Japan.

August 17, 2011

For:

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For:

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