

the assaly group of companies

thomas g. assaly, ceo

Suite 1 – 1003 Whitney Road, KEMPTVILLE, ON K0G 1J0 Canada

phone: 613-258-9090 ♦ fax: 613-258-9499 ♦ e-mail: tassaly@ripnet.com ♦ web: <http://www.assaly.com/site/>

MUTUAL NON-DISCLOSURE AGREEMENT

THIS AGREEMENT is made in duplicate.

BETWEEN:

Assaly Investment Program Corporation
1003 Whitney Road
Kemptville, ON
K0G 1J0

(hereinafter referred to as "AID")

-AND-

Name

Address:

(hereinafter referred to as "Investor")

WHEREAS the Parties are engaged in discussions and/or other activities with respect to a potential transaction involving assets and proprietary information;

AND WHEREAS the Parties expect that such discussions and activities will involve the written or verbal disclosure and communication of Confidential Information between the Parties;

AND WHEREAS the Parties hereto wish to define and protect their rights with respect to the Confidential Information.

Page 1

NOW THEREFORE, in consideration of these premises and mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. RECITALS

The recitals noted above are true and correct and the Parties agree that they are incorporated into, and form part of this Agreement.

2. DEFINITIONS

- 2.1 “Activity” shall mean discussions and exchange of information related to of an investment property and the donation of an interest in that property to charity.
- 2.2 “**Affiliate**” shall mean a corporation or business entity that, directly or indirectly, is controlled by, or controls AID or Investor.
- 2.3 “**Confidential Information**” shall mean any and all business, promotional, financial, legal, accounting, strategic, technical or other information disclosed by any Party, including, but not limited to financial data, documents, samples, styles, technical information, know-how (including but not limited to business strategies), business plans, business opportunities, potential business opportunities, personal information, devices, demonstrations, trade secrets, computer systems and software, databases, source and/or object code, results of research and other data:
- (1) in written materials;
 - (2) obtained visually by viewing premises, equipment or facilities; or
 - (3) in oral communications by an officer, employee or agent of a Party relating to the subject matter;

in any form or medium, which, at the time of disclosure, is designated orally, visually or in writing as confidential (or like designation), is disclosed in circumstances of confidence, or would be understood by the Parties, exercising reasonable business judgment, to be confidential.

- 2.4 “**Contractor**” shall mean any third Party which has entered into an agreement with AID or Investor (containing obligations of confidence substantially similar to those contained in this Agreement) to act as a consultant for AID or Investor in connection with AID or Investor projects, or to assist in the Activity for or on behalf of AID or Investor or a client or clients of either AID or Investor to whom Confidential Information is disclosed.
- 2.5 “**Party**” refers to either AID or Investor as the context may allow.
- 2.6 “**Parties**” refers to AID and Investor collectively.
- 2.7 “**Subject Matter**” shall mean discussions and/or other activities with respect to the Activity.

3. DISCLOSURE AND USE RESTRICTIONS

- 3.1 The Parties agree that the Confidential Information received by a Party and all rights to that Confidential Information, shall remain the exclusive worldwide property of the disclosing Party, and shall be held in trust by the receiving Party for the benefit of the disclosing Party. The receiving Party will not, directly or indirectly, deal with, use, exploit or disclose such Confidential Information to any person or entity for any purpose, except as described herein, or unless and until expressly authorized in writing to do so by the disclosing Party.
- 3.2 The Parties further agree to:
- (i) receive and maintain the disclosed Confidential Information in strict confidence;
 - (ii) use the disclosed Confidential Information only in connection with the Activity; and
 - (iii) prevent unauthorized use or reproduction of the Confidential Information, including by limiting access to the Confidential

Information to employees, agents, affiliates, or contractors who are necessary to perform or facilitate the purposes of this Agreement and who are going to hold such Confidential Information in confidence pursuant to the terms of this Agreement. The Parties shall, prior to disclosing the Confidential Information or portion thereof to such designated employees, issue appropriate instructions to them to satisfy its obligations herein and obtain their agreement in writing, in a form substantially as set out in this Agreement, to receive and use the Confidential Information as confidential and subject to non-disclosure on the same conditions as contained herein.

- 3.3 The Parties agree that they shall advise each other promptly, in writing, of any Confidential Information known prior to its disclosure by the other Party and any other Confidential Information which they consider ought to be excluded from the provisions of this Agreement.
- 3.4 The Confidential Information shall not be mechanically copied or otherwise reproduced by the receiving Party without the express written permission of the disclosing Party except for such copies as may be required pursuant to this Agreement for internal evaluation purposes on a need-to-know basis. All copies shall, on reproduction, contain the same proprietary and confidential notices and legends which appear on the original Confidential Information, unless expressly authorized otherwise by the disclosing Party.

4. **EXEMPTIONS**

- 4.1 The Parties shall not be bound by the obligations restricting disclosure and use set forth in Section 2 above with respect to Confidential Information, or any part thereof, which
- (i) was lawfully in the public domain prior to its disclosure, or becomes lawfully in the public domain, except by breach of this Agreement;
 - (ii) the receiving Party can establish by reasonable proof was in its possession at the time of disclosure;

- (iii) was independently developed by the receiving Party or its employees who have no knowledge of or access to the disclosing Party's Confidential Information;
- (iv) was lawfully obtained by the receiving Party from a third Party/Parties without breach of this Agreement as shown by documentation sufficient to establish the third Party as a lawful source of the Confidential Information;
- (v) the disclosing Party has provided prior written consent for such disclosure; or,
- (vi) is disclosed when such disclosure is compelled pursuant to a legal, judicial, or administrative proceeding, or otherwise required by law, subject to the receiving Party giving all reasonable prior notice to the disclosing Party to allow it to seek protective or other court orders.

5. TERMINATION

5.1 Either Party may terminate the activity and discussions without prior notice, for any reason, at anytime, and without liability or restriction, other than the obligation of confidentiality and non-use and the obligation to return the disclosed Confidential Information as provided for herein.

6. RETURN OF CONFIDENTIAL INFORMATION

6.1 Upon request from the disclosing Party, the receiving Party shall immediately return to the disclosing Party all Confidential Information and copies thereof, or if directed by the disclosing Party, shall immediately destroy such Confidential Information and all copies, and shall furnish proof of their destruction to the disclosing Party.

6.2 Upon conclusion of the activity and discussions contemplated hereunder, unless otherwise agreed by the Parties in writing, all Confidential Information together with all copies thereof shall be returned to the respective disclosing Parties.

7. PROPRIETARY RIGHTS

7.1 No license of any patent, copyright, or any other right in respect of the Confidential Information or Intellectual Property, other than as necessary to enable the exercise of the rights specifically granted herein, is granted to the

receiving Party under this Agreement by implication or otherwise. This Agreement shall not constitute any representation, warranty, or guarantee to the receiving Party by the disclosing Party that Confidential Information does not infringe patents, copyrights, or any other rights of third parties.

8. NO OTHER BUSINESS RELATIONSHIP

8.1 This Agreement does not represent, and in no way implies:

- (i) a partnership, joint venture or other commercial relationship between the Parties;
- (ii) an authorization for either Party to act as the agent or representative of the other;
- (iii) an agreement or commitment by either Party to purchase, acquire, develop, or use the products or services of the other Party; or
- (iv) an encouragement to either Party to expend funds or other resources in the development of products or services.

8.2 Nothing contained in this Agreement shall be construed, by implication or otherwise, as an obligation for any Party hereto to enter into any further agreement with the other, or as a grant of a license by any Party to the other to use any Confidential Information disclosed other than for discussions or evaluations relevant to the purposes of this Agreement.

9. LIABILITIES AND REMEDIES

THE DISCLOSING PARTY MAKES NO REPRESENTATIONS, DOES NOT WARRANT, AND SHALL HAVE NO LIABILITY WHATSOEVER IN RESPECT OF ANY INFORMATION DISCLOSED BY IT PURSUANT TO THIS AGREEMENT.

9.1 The receiving Party acknowledges and agrees that a breach of this Agreement may result in irreparable and continuing harm to the disclosing Party for which there may be no adequate remedy at law. In the event of a breach or a threatened or intended breach of this Agreement by the receiving Party, the receiving Party hereby consents to the granting of, and the disclosing Party shall be entitled to seek, preliminary injunctions unilaterally without notice, and final injunctions with notice, enjoining and restraining such breach, or threatened or intended

Page 6

breach, and to such other rights and remedies as are available at law or in equity to the disclosing Party.

10. WARRANTY

10.1 Each Party represents and warrants to the other that it has the right to enter into this Agreement without breaching or violating any fiduciary, contractual, or statutory obligations owed to another.

11. WAIVER

11.1 The failure of a Party to enforce at any time or for any period of time any of the provisions of this Agreement shall not constitute a waiver of such provisions or the right of that Party to enforce each and every provision. A waiver of a failure to comply hereunder shall be affected only in writing, signed by the waiving Party and shall not constitute a waiver of any other failures to comply hereunder.

12. NON-ASSIGNABILITY

12.1 This Agreement may not be assigned in whole or in part by either Party without the prior written consent of the other Party.

13. DURATION

13.1 This Agreement shall apply in respect of activities, discussions and disclosures of information occurring during the period of three (3) years following the Effective Date of this Agreement.

14. PERIOD OF CONFIDENTIALITY

14.1 The obligations of confidentiality and misuse for each disclosure of Confidential Information shall expire three (3) years from the Effective Date of this Agreement, or upon the replacement of this Agreement with a subsequent confidentiality agreement as between the Parties.

15. ENTIRE AGREEMENT

15.1 This written Agreement embodies the entire understanding between the Parties and supersedes and replaces any and all prior understandings, arrangements, and/or agreements, whether written or oral, relating to the **Subject Matter**.

15.2 This Agreement is divisible and separable so that if any provision or provisions hereof shall be held to be invalid, such holding shall not impair the remaining provisions hereof. If any provision hereof is held to be too broad to be enforced, such provision shall be construed to create an obligation to the full extent allowable by law.

16. SUCCESSORS AND ASSIGNS

16.1 This Agreement shall ensure to the benefit of and be binding upon the Parties hereto and their respective successors, assigns, subsidiaries and affiliates.

17. APPLICABLE LAW

17.1 This Agreement shall be governed by and construed in accordance with the laws of Ontario.

18. ADDRESSES FOR SERVICE AND NOTICE

18.1 Under this Agreement, the Parties' Address for Service shall be as listed in the Recitals.

18.2 Unless specified to the contrary elsewhere in this Agreement, the notices required or permitted to be sent under this Agreement shall be sent by registered mail and courier. Notices sent by mail shall be deemed effective on the fifth day following sending.

18.3 Any notice required or permitted to be given to the AID or Investor shall be sufficiently given if delivered to them personally or if mailed by registered mail to their address last known.

18.4 Any notice given by mail shall be deemed to have been given forty-eight hours after the time it was posted.

EXECUTED BY the Parties as of the date and year set out below.

Investor

AID

Signature _____

Signature _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____

Date: _____

Date: _____