

PROPRIETARY INFORMATION AGREEMENT

This Agreement is entered into as of this day ______ by and between Rock West Composites, Inc., a corporation organized and existing under the laws of the State of California and having offices at 7625 Panasonic Way, San Diego, CA 92154, (hereinafter called "Rock West") and ______ a company working under the laws of the government of ______ and having offices at ______ (hereinafter called "COMPANY").

WHEREAS, Rock West and "COMPANY" believe that it will be beneficial for them to exchange certain proprietary information as described below in connection with and for the purposes described below; and

WHEREAS, the parties believe that it will be mutually beneficial for Rock West to disclose to "COMPANY" certain proprietary information related to <u>(a) any technical and non-technical</u> <u>information related to its business and current, future and proposed products and services,</u> <u>including, for example and without limitation, information concerning research,</u> <u>development, design details and specifications, financial information, procurement</u> <u>requirements, engineering and manufacturing information, customer lists, business</u> <u>forecasts, sales information and marketing plans; and/or (b) any information received from</u> <u>others that may be made known that it is obligated to treat as confidential or proprietary;</u> (hereinafter "Rock West Proprietary Information") for purposes of allowing "COMPANY" to evaluate and, where appropriate in light of and as contemplated by the authorized purposes, to use the Rock West Proprietary Information in connection with and for purposes of <u>(a) advising,</u> <u>evaluating, and/or developing strategies to obtain funds that may help support projects for</u> <u>Rock West and/or customer(s) of Rock West, and/or b) executing such strategies to obtain</u> <u>funding</u>; and

WHEREAS, the parties believe that it will be mutually beneficial for "COMPANY" to disclose to Rock West certain proprietary information related to: <u>(a) any technical and non-technical</u> <u>information related to their business and current, future and proposed products and</u> <u>services, including, for example and without limitation, design details and specifications,</u> <u>engineering and manufacturing information, information concerning business forecasts,</u> <u>sales information, marketing plans, financial information, procurement requirements,</u> <u>customer lists, research, development; and/or (b) any information received from others that</u> <u>may be made known that it is obligated to treat as confidential or proprietary, (hereinafter</u> "COMPANY Proprietary Information") for purposes of allowing Rock West to evaluate and, where appropriate in light of and as contemplated by the authorized purposes, to use the "Company Proprietary Information" in connection with and for purposes of a) <u>advising,</u> <u>evaluating, and/or developing strategies to obtain funds that may help support projects for</u> <u>Rock West and/or customer(s) of Rock West, and/or b) executing such strategies to obtain</u> <u>funding</u>; and

WHEREAS, the parties desire to establish certain understandings to protect Proprietary Information from unauthorized use or disclosure.



NOW, THEREFORE, in consideration of the foregoing and of the mutual promises contained herein, the parties agree as follows:

1. The exclusive points of contact with respect to the transmission and control of Proprietary Information exchanged hereunder are designated by the respective parties as follows:

ROCK WEST:	"COMPANY":
Tom Preece, Chief Strategy Officer	
7625 Panasonic Way	
San Diego, CA 92154	
Phone: 858-537-6260	Phone:
Email:	Email:
Tom.Preece@rockwestcomposites.com	

Each party may change its designated point of contact by written notice to the other.

- 2. In order for information to be afforded protection under this Agreement, the disclosing party ("Discloser") shall identify any Proprietary Information disclosed by it hereunder as follows:
 - (a) all documents and other tangible materials shall be marked with an appropriate restrictive legend indicating the proprietary nature of the material and the Discloser's interest therein; and
 - (b) all other disclosures made by the Discloser must be identified as proprietary at the time of disclosure and must thereafter be reduced to a written listing or summary marked with an appropriate restrictive legend and delivered to the receiving party ("Recipient") within one (1) month after the initial disclosure; during this one (1) month period, such information so disclosed shall be provided the same protection as provided Proprietary Information marked with a restrictive legend in accordance with Section 2(a) above. Such listing or summary may be provided by e-mail or similar electronic form.
- 3. With respect to Proprietary Information disclosed in accordance with the requirements of Section 2 above, the Recipient, for the period specified in Article 5 below and except as otherwise provided below, will:
 - (a) hold it in confidence from the date of receipt under this Agreement;
 - (b) use it only for the purposes identified above and/or for such other purposes as may be subsequently authorized in writing by Discloser;
 - (c) make it available, subject to Section 12 below, only to its employees and agents who have a need to know in order to carry out their duties in connection with the purposes authorized herein and who have suitable obligations of confidentiality applicable to such Proprietary Information; and
 - (d) not otherwise use or disclose it except as expressly authorized in this Agreement or except as otherwise authorized in writing by the Discloser and except that if the



purposes authorized above relate to a program, proposal or contract with or for the United States Government, the Recipient may disclose Proprietary Information to the United States Government as necessary for the authorized purposes if the disclosure bears the appropriate restrictive legend and proprietary information notice permitted by the applicable government regulations related to the protection of proprietary information.

- 4. The obligations of Recipient with respect to Discloser's Proprietary Information shall not apply to:
 - (a) information which, at the time of disclosure by Discloser to Recipient hereunder, is in the public domain;
 - (b) information which, after disclosure by Discloser to Recipient hereunder, becomes part of the public domain through no fault of Recipient;
 - (c) information which was rightfully in Recipient's possession at the time of disclosure by Discloser to Recipient hereunder and which is not subject to prior continuing obligations of confidentiality by Recipient to Discloser;
 - (d) information which is rightfully disclosed to Recipient by a third party having the lawful right to do so;
 - (e) information which has been or is hereafter released by Discloser to others without restriction; or
 - (f) information which is independently developed by or for Recipient without use of Proprietary Information received from Discloser pursuant to this Agreement.
- 5. The obligations of Recipient under Section 3 of this Agreement with respect to Discloser's Proprietary Information shall, in any event, expire three (3) years from the date the last Proprietary Information is provided under this Agreement.
- 6. (a) Recipient's obligations under Section 3 of this Agreement with respect to the protection of Discloser's Proprietary Information shall be to use the same reasonable degree of care which Recipient uses to protect its own information of similar character and in no event shall Recipient be liable for inadvertent disclosure provided that the aforementioned degree of care has been used and provided that, upon discovery of any such inadvertent disclosure, Recipient shall endeavor to correct the effects thereof and to prevent any further inadvertent disclosure.
 - (b) Notwithstanding anything in Section 3 above to the contrary but subject to Section 12 below, (i) Recipient may disclose Discloser's Proprietary Information to Recipient's affiliates having a need to know for the purposes authorized above; provided that such affiliates have first agreed to be bound by the applicable provisions of this Agreement in the same way and to the same extent as Recipient is bound; and, (ii) subject to Section 12 below, Recipient may also disclose Discloser's Proprietary Information to third parties such as vendors, subcontractors, legal counsel, insurers and similar third parties to the extent necessary in connection with the use of such Proprietary Information for the authorized purposes provided that such third parties are bound by appropriate obligations of confidentiality.



- (c) Notwithstanding anything in Section 3 above to the contrary, Recipient may also disclose Discloser's Proprietary Information to the extent required to comply with a court order, administrative subpoena or order, or applicable governmental regulation or statutory requirement which appears to be lawful on its face, provided that Recipient gives Discloser timely notice, where possible, of the contemplated disclosure so as to give Discloser an opportunity to intervene to preserve the confidentiality of the information.
- 7. In no event shall either party, its affiliates, or any of the parties mentioned in Section 6 (b) above, or any of their respective officers, directors or employees be liable for any multiple or punitive damages.
- 8. All Proprietary Information furnished hereunder shall remain the property of the disclosing party and any tangible material containing same which may be provided by Discloser to Recipient pursuant to this Agreement shall be returned to Discloser or destroyed promptly at Discloser's request together with all copies, excerpts, and/or summaries made thereof by Recipient; except that Recipient may retain one (1) copy of such material in limited access files as a record of its obligations hereunder. Upon request, Recipient shall send Discloser a destruction certificate in the case where Recipient has been instructed to destroy such materials.
- 9. Except as provided in Section 3 above in connection with the authorized purposes, no license under any patents, copyrights, maskworks, or any other proprietary right is granted or conveyed by Discloser pursuant to this Agreement.
- 10. This Agreement shall be governed by the laws of the State of California without giving effect to its internal principles of choice of law.
- 11. This Agreement shall apply to Proprietary Information disclosed during the period which begins as of the date of this Agreement first written above and expires on that date one (1) calendar year later.
- 12. Without regard to the duration of its other obligations hereunder, Recipient shall control access to, and use of, information received hereunder from Discloser and the direct product thereof in accordance with all applicable U.S. Export Laws and Regulations, including but not limited to the International Traffic in Arms Regulations. In connection with and without limiting the general applicability of the foregoing, Recipient shall not make or permit disclosure of information received from the Discloser or the direct product thereof to nationals of prohibited countries or to any Foreign Person (as defined in Section 120.16 of the International Traffic in Arms Regulations) unless (a) Recipient has received Discloser's express written consent to do so and (b) necessary export licenses have been obtained.
- 13. Any notice under, or in connection with, this Agreement shall be in writing and shall be deemed to have been given when received by the party to which said communication is



directed at its address set forth below or at such other address as such party may have theretofore designated in writing to the other party hereto. A receipt evidencing delivery of certified or registered mail shall constitute evidence of receipt. Any notice requiring prompt action shall be contemporaneously sent by facsimile transmission or electronic mail. For purposes of giving notices under this Agreement, the persons and addresses of the parties shall be the same as those provided in Paragraph 1.

14. This Agreement sets forth the complete understandings between the parties relative to the exchange of the subject Proprietary Information and its protection, and this Agreement supersedes any prior written or oral agreements between the parties related to the protection of the subject Proprietary Information and may not be amended or modified except by subsequent agreement in writing executed by duly authorized officers or representatives of the parties.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed in duplicate originals by their duly authorized representatives.

ROCK WEST

"COMPANY"

By:		Ву:
Name:	Tom Preece	Name:
Title:	Chief Strategy Officer	Title:
Date:		Date: