CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT

This Confidentiality and Non-Disclosure Agreement ("Agreement") governs the disclosure of proprietary information and trade secrets as embodied in the Phoenix Quality Tablet Computer Inspection System from **Phoenix Quality Inspection, Inc.**, 1077 Boundary Road, Suite 212, Oshawa, Ontario L1J 8P7. Canada.

Phoenix Quality Inspection, Inc. (hereinafter "Phoenix") has created, devised and developed a proprietary system and method for capture, processing and real-time reporting of integrated quality inspection data, as embodied in hardware and software of the Phoenix Quality Tablet Computer Inspection System (hereinafter "Tablet Computer System"). As a condition to viewing the information herein, Phoenix requires you to agree to certain restrictions in order to protect the information against the risk of unauthorized use or disclosure;

As used herein, "Tablet Computer System Information" shall mean the information and Tablet Computer Inspection System of Phoenix, including but not limited to, the method and system for capture, processing and real-time reporting of integrated quality inspection data, created and devised by Phoenix, information concerning research and development, design details and specifications, engineering information and know-how, compilations, techniques, drawings, proposed products, and product plans, that is not generally known to, and is not readily ascertainable by proper means by others who could obtain economic value from its disclosure or use, and is subject to efforts by Phoenix to maintain its secrecy.

You agree to be legally bound under terms as follows:

1. <u>Obligations Regarding Use and Disclosure of Confidential Information and Trade Secrets Information</u>.

During the Term of this Agreement, you:

- (i) will hold in strict confidence and not disclose to any third party the Tablet Computer System Information of Phoenix, except as approved in a writing by Phoenix;
- (ii) will use the Tablet Computer System Information for no purpose other than evaluating the Tablet Computer System Information for the purpose of pursuing a commercial licensing relationship with Phoenix;

The Tablet Computer System Information shall not be reproduced in any form except as required to accomplish the intent of this Agreement. Any reproduction of any Tablet Computer System Information shall become the property of Phoenix and shall contain any and all trade secrets or proprietary notices or legends that appear on the original, unless otherwise authorized by Phoenix.

2. Term of Agreement

This Agreement is for a period of five years from the date of execution by Phoenix and the Recipient (the "Term").

4. General

Nothing contained in this Agreement shall be construed as granting any property rights, by license or otherwise, to Tablet Computer System Information of Phoenix. This Agreement shall

be governed by and construed in accordance with the laws of the Province of Ontario without reference to conflict of laws principles and the parties hereby agree to the jurisdiction of the courts of the Province of Ontario.

This Agreement may not be amended except by a writing signed by Phoenix.

You acknowledge that a breach of the Agreement will cause irreparable damage and hereby agrees that Phoenix shall be entitled to seek injunctive relief under this Agreement, as well as such further relief as may be granted.

If any provision of this Agreement is found to be unenforceable or invalid such unenforceability or invalidity shall not render this Agreement unenforceable or invalid as a whole and in such event, such provision shall be changed and interpreted so as to best accomplish the objectives of such unenforceable or invalid provision within the limits of applicable law.

You agree that this Agreement shall be binding on your affiliates, subsidiaries, representatives, agents, successors, and assigns.

Neither Phoenix nor any of its directors, officers, employees or agents (i) makes any representation or warranty as to the accuracy or completeness of any materials and information delivered to the Recipient hereunder, or with respect to the infringement of trademarks, patents, copyright, any right of privacy, or any rights of third persons; or (ii) shall have any liability to you resulting from the use of such materials and information.

| [] |] I AGREE | I DO NOT AGREE |
|-----|-----------|----------------|
| | | |