**MUTUAL NONDISCLOSURE AGREEMENT**

This Mutual Nondisclosure Agreement (this “**Agreement**”) is made as of this \_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_, 2014 (the “**Effective Date**”) by and between [Company Name], a [North Carolina / Delaware] corporation with its principal address at [Office Address] (“**Company**”), and \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, a \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ [corporation/limited liability company] with its principal address at \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (“**Party B**”).

**STATEMENT OF PURPOSE**

In connection with the evaluation of a possible business transaction between Company and Party B regarding [Insert Brief Description of Transaction] as well as the performance of any agreement reached between the parties relating thereto (“**Purpose**”), each party may disclose to the other certain Confidential Information (as defined below). A party disclosing Confidential Information under this Agreement is referred to herein as a “**Disclosing Party**,” and a party receiving Confidential Information under this Agreement is referred to herein as a “**Receiving Party**.”

**AGREEMENT**

In consideration of furnishing the other party with Confidential Information, the mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Company and Party B each agree as follows:

1. Definition of Confidential Information. As used in this Agreement, the term “**Confidential Information**” shall mean all technical, business, financial and other information furnished by or on behalf of a Disclosing Party to a Receiving Party, or otherwise learned by the Receiving Party in relation to the Disclosing Party’s business or technology. Information disclosed verbally or visually that is to be considered Confidential Information must be identified as such at the time of disclosure and confirmed in writing by the Disclosing Party within 30 days after such disclosure. Confidential Information includes information belonging to a third party that may be disclosed only under obligations of confidentiality. Notwithstanding the foregoing, Confidential Information shall not include information that the Receiving Party can demonstrate: (a) at the time of disclosure hereunder is generally available to the public; (b) after disclosure hereunder, becomes generally available to the public without breach of this Agreement by the Receiving Party; (c) was disclosed to the Receiving Party by a third party that had the unrestricted right to disclose such information; or (d) is or has been developed by the Receiving Party (as evidenced by the Receiving Party’s contemporaneously maintained written records) independently of the disclosures by the Disclosing Party.
2. Treatment of Confidential Information. The parties acknowledge that each party considers the Confidential Information it discloses to be valuable, confidential and a trade secret. The Receiving Party shall (i) use such information solely for the Purpose, and not for the Receiving Party’s own or any third party's benefit; (ii) use the same degree of care as the Receiving Party uses with its own Confidential Information, but no less than reasonable care, to protect Confidential Information and to prevent any unauthorized access, reproduction, disclosure, or use of any of the Confidential Information; and (iii) restrict access to Confidential Information to its officers, directors, agents, contractors, employees or representatives (collectively, the “**Representatives**”) who have a need to know such information and who are prohibited from disclosing the information by a contractual, legal or fiduciary obligation no less restrictive than this Agreement , including any legal entity the Receiving Party controls, or is controlled by, or under common control, directly or indirectly, by ownership of 50% or more of the voting shares. If the Receiving Party is required to disclose any Confidential Information to comply with law, the Receiving Party shall give the Disclosing Party reasonable prior written notice to permit the Disclosing Party to challenge or limit any such legally required disclosure. Neither party shall reverse engineer, decompile or disassemble any software of the other party.
3. Ownership of Confidential Information. Company and Party B each agree and acknowledge that all Confidential Information of a Disclosing Party hereunder shall remain the sole property of the Disclosing Party to whom it relates. Nothing in this Agreement shall be deemed a license to the Receiving Party to use the intellectual property of the Disclosing Party.
4. Return of Confidential Information. At the request of a Disclosing Party, the Receiving Party will promptly return to the Disclosing Party all of the Disclosing Party's Confidential Information, together with all copies thereof and all notes, drawings, abstracts and other information relating to the Confidential Information prepared by the Receiving Party or any of its Representatives, regardless of the medium in which such information is stored, and whether or not then in the possession of the Receiving Party or in the possession of any of the Representatives. Further, upon request of a Disclosing Party, the Receiving Party will provide the Disclosing Party with a statement, signed by a duly authorized representative of the Receiving Party, verifying that the Receiving Party has complied with the terms of this Agreement.
5. No Representations. Company and Party B each understand and acknowledge that neither party is making, nor will either party make at the time of delivery of the Confidential Information, any representation or warranty, express or implied, as to the accuracy or completeness of the Confidential Information, and neither Company nor Party B, nor any of their respective Representatives will have any liability to the other party or any other person resulting from the use of the Confidential Information.
6. Term. This Agreement shall terminate the later of three years from the Effective Date and the termination of any agreement between the parties related to the Purpose, provided that the obligations of confidentiality and non-use with respect to Confidential Information disclosed by the Disclosing Party to the Receiving Party prior to such termination shall survive the termination of this Agreement.
7. Miscellaneous.
   1. Company and Party B each agree that monetary damages will not be an adequate remedy for any breach of this Agreement and that a Disclosing Party shall be entitled to equitable relief, including an injunction and specific performance, in the event of any breach or threatened breach of this Agreement, in addition to any other remedies available to the Disclosing Party at law or in equity. Company and Party B each waive the defense that an adequate remedy at law exists for any breach or threatened breach of this Agreement.
   2. This Agreement constitutes the entire agreement between the parties and supersedes all previous agreements, understandings and communications between the parties related to the subject matter, and may be modified only in a writing signed by duly authorized representatives of each of the parties. Failure to insist upon strict compliance with any provision of this Agreement shall not be deemed waiver of such provision or any other provision hereof. If any provision of this Agreement shall be held by a court of competent jurisdiction to be illegal, invalid or unenforceable, the remaining provisions shall remain in full force and effect.
   3. This Agreement shall be binding upon and shall inure to the benefit of the parties and their respective successors and permitted assigns; provided, however, that this Agreement may not be assigned by either party without the prior written consent of the other party.
   4. This Agreement shall be governed by the laws of the State of North Carolina, without regard to its conflict of law provisions. Each party agrees to submit any claim or dispute under this Agreement exclusively to a state or federal court located in Raleigh, NC, and each party irrevocably agrees to submit to the sole jurisdiction of such courts and to waive any claims that such courts constitute an improper venue.
   5. This Agreement may be executed in counterparts, each of which may be enforceable as an original, but all of which together shall constitute but one agreement. Counterparts may be delivered via facsimile, electronic mail (including PDF) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.
   6. The execution of this Agreement shall not create any agency, partnership, joint venture, association or any other relationship between the parties other than as independent contracting parties.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

**COMPANY: PARTY B:**

**[COMPANY NAME] [PARTY B NAME]**

By: By:

Name: Name:

Title: Title: