

Non-Disclosure Agreement | Aerovate Inc.

AEROVATE INC.

This Non-Disclosure Agreement (hereinafter referred to as Agreement), entered into and effective by AEROVATE INC. (hereinafter “AEROVATE”) and (hereinafter the “Second Party”) governs the obligations of the parties concerning treatment, use and disclosure of information disclosed pursuant to its terms.

1. In consideration of the mutual promises and undertakings set forth herein, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, AEROVATE and Second Party, each as a “Disclosing Party” and as a “Receiving Party”, may, but without obligation to do so, disclose to the other and receive from the other technical and other proprietary information (collectively, “Proprietary Information”) such as, but not limited to, business plans, sales and marketing information and strategies, customer lists, solicitation response strategies, technical solutions to client requirements, system architectures, proposal preparation techniques and pricing policies, know-how, software, methodologies, processes, and financial information related to the

2. Proprietary Information is defined as information, ideas, and/or related data originated by or peculiar to the Disclosing Party. Proprietary Information may be disclosed orally, in writing, or in one or more electronic formats on media such as, but not limited to, tapes, diskettes, compact disks, or other similar media. When disclosed orally, at the time of disclosure the Disclosing Party shall identify such information as Proprietary Information subject to the provisions of this Agreement, subsequently summarize it in writing within ten (10) days after disclosure, and provide a copy to

the Receiving Party appropriately marked “Proprietary Information”. When disclosed in writing or electronic format, Proprietary Information shall be marked as such in a clearly identifiable way.

3. The Receiving Party of Proprietary Information disclosed pursuant to this Agreement shall use such Proprietary Information solely for the purpose described in Paragraph 1 above and shall not use or make copies of the information for any other purpose or disclose it to any party without the express written consent of the Disclosing Party. The Receiving Party of such Proprietary Information shall use the same degree of care to prevent the unauthorized use or disclosure of such Proprietary Information as the Receiving Party uses to protect its own Proprietary Information and/or trade secrets from unauthorized use or disclosure, but in no event will the Receiving Party exercise less than commercially reasonable care. The Receiving Party shall disclose Proprietary Information only to such of its directors, officers, employees, and agents as have a need-to-know such information in connection with performance of duties related to the authorized purpose described in Paragraph 1 above. Such directors, officers, employees and/or agents shall agree to be bound by the terms of this Agreement.

4. The obligations of this Agreement shall apply only to Proprietary Information that:

- (a) Has been identified (when disclosed orally) and marked (when disclosed in writing or electronic medium) by the Disclosing Party as Proprietary Information;
- (b) Is not publicly known as a result of the lawful

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disclosure by any party;

(c) Is not already known to the Receiving Party as a result of Receiving Party's own independent efforts; and

(d) Has not been transmitted by the Disclosing Party to any third party without restriction.

5. All disclosures of information by the Disclosing Party to the Receiving Party pursuant to this Agreement shall be made by or through its "Authorized Recipient". The Authorized Recipients for the parties are identified at the end of this Agreement.

6. This Agreement will expire on the earlier of:
(1) termination by either party upon ten (10) days prior written notice to the other party, or (2) three (3) years from the effective date of this Agreement, unless such period is extended or reduced by mutual agreement of the parties. After termination or expiration of the term of this Agreement, within ten (10) days after receipt of written request of Disclosing Party, the Receiving Party of any Proprietary Information disclosed pursuant to this Agreement shall either (as requested by Disclosing Party) (i) return to the Disclosing Party all originals and any and all copies of such Proprietary Information in the Receiving Party's possession in whatever medium or form it is held, or (ii) certify to the Disclosing Party that it has destroyed any and all documents containing or derived from such Proprietary Information; provided that Receiving Party may, if it so notifies Disclosing Party, retain an archival set of copies solely for reference with respect to the dealings between the parties subject to the Agreement. Following expiration of this Agreement, the confidentiality obligations with respect to any Proprietary Information which constitutes a trade secret disclosed hereunder shall remain in effect so long as the Proprietary Information remains a trade secret.

7. Disclosing Party warrants that it has the right to disclose the Proprietary Information to the Receiving Party. No right or obligation other than those expressly

enumerated herein shall be created or implied by the fact that Proprietary Information has been disclosed pursuant to this Agreement or by the fact of the parties entering into this Agreement. For example, this Agreement shall not alter any ownership rights with respect to Proprietary Information, nor shall it create any exclusive relationship, partnership, joint venture, agreement to enter into a contract or to make any reimbursement between the parties, nor shall it be read to grant any license to any Proprietary Information, trade secret, trademark, copyright or patent beyond the specific use expressly authorized herein.

8. The parties acknowledge that the unauthorized use or disclosure of Proprietary Information could cause irreparable damage to the Disclosing Party. In order to provide a remedy by which to limit or prevent such damage, the Receiving Party of any Proprietary Information disclosed pursuant hereto agrees that the Disclosing Party shall have the right to obtain an injunction to prevent threatened or actual unauthorized use or disclosure of such Proprietary Information. Such injunctive remedy shall be in addition to any other legal or equitable remedy available to the Disclosing Party in the event of a breach or threatened breach of this Agreement.

9. Miscellaneous provisions:

(a) This Agreement may not be assigned or otherwise transferred by either party without the express written consent of the other party;

(b) In the event disclosure of Proprietary Information is required by law or regulation to be disclosed to any other party, the Receiving Party shall first notify the Disclosing Party of such requirement to permit the Disclosing Party to contest such requirement;

(c) This Agreement is made under and shall be construed in accordance with the laws of the Ohio without regard to its provisions regarding conflicts of laws;

(d) In the event that any provision of this Agreement

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is found to be unlawful or unenforceable, the remaining provisions of the Agreement shall nonetheless be enforceable and construed so as to give effect to the Agreement as a whole;

(e) This Agreement represents the entire agreement of the parties regarding the subject matter hereof and supersedes all previous understandings, commitments or agreements, whether oral or written, between the parties with respect to the subject matter hereof; and

(f) This Agreement may be amended only in a writing signed by authorized representatives of both parties;

(g) The parties acknowledge that the terms and conditions of this Agreement and the discussions between them are confidential, and shall not be disclosed, except as provided in Section 3., without the written consent of the other party.

10. National Security

In compliance with US Department of Commerce Export Administration Regulations and Export Canada (CBSA regulations) and the US Department of State International Traffic in Arms Regulations as they exist during the applicability of this Agreement, and notwithstanding any other provisions of this Agreement., neither party shall attempt to, not knowingly export or re-export to any country prohibited from obtaining such data, either directly, or indirectly through affiliates, licensees, or subsidiaries, any US/CANADA source technical data acquired from the other party, any products utilizing such data, or any proprietary/confidential information provided under this or any ancillary agreements, to any countries outside the US/CANADA which export may be in violation of US Export Laws or Regulations. Nothing in this provision shall relieve the recipient from any other obligation stated elsewhere in this Agreement not to disclose such information.

Nothing herein shall be deemed to replace or be in prejudice of any national Government security classification referenced on any part of the Confidential

Signature

AEROVATE INC

Witness:

Signature:

CLIENT INFORMATION

Company Name:

Name:

Address:

Street:

City:

Province/State/Other:

Postal Code:

Country:

Signature:

Information, and the receiving Party Undertakes to respect and observe any such classification, and to treat the same with such degree of care and security as is required by the appropriate authority in the country of the disclosing Party.”

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year set forth above.