

MUTUAL CONFIDENTIALITY AND NONDISCLOSURE AGREEMENT

EDUCATIONAL SAMPLE - REVIEW BEFORE USE

This template is not legal advice. Have qualified counsel review it for the transaction and applicable law. OCR Product Development, LLC is not a party unless expressly named below and signed by its authorized representative.

1. PARTIES, EFFECTIVE DATE AND PURPOSE

This Agreement is between the following parties (each a "Party" and together the "Parties"). Each may disclose information as the "Disclosing Party" and receive it as the "Receiving Party." In consideration of their mutual promises, the Parties agree as follows.

Party A - full legal name:

Party B - full legal name:

Mailing address:

Mailing address:

Notice email:

Notice email:

Effective Date (if blank, date of last signature):

The permitted purpose ("Purpose") is limited to evaluating the specific project and activities identified below. Identify any permitted prototype handling or testing and its limits. Silence does not authorize testing. Development or other services require a separate signed agreement specifying the work authorized.

Specific product / project (attach a signed schedule if needed):

Permitted evaluation activities and testing limits (or "No testing"):

Disclosures are covered from the Effective Date. Earlier disclosures require a signed attachment identifying dates and subject matter. Such an attachment does not undo a prior public disclosure.

2. CONFIDENTIAL INFORMATION

"Confidential Information" means nonpublic information disclosed by or on behalf of a Disclosing Party for the Purpose that is marked confidential or reasonably understood to be confidential from its nature or the circumstances. A confidentiality label is not required. Disclosure may be oral, visual, electronic or written.

Subject to Section 6, this includes nonpublic identification or characterization of a problem, unmet need, application or commercial opportunity; insights into customer needs; design requirements and constraints; product concepts and proposed solutions; drawings, CAD files, prototypes, specifications, software and manufacturing methods; pricing and business information; and research, test results, unsuccessful approaches and lessons learned. Notes, summaries, analyses and combinations of information are covered to the extent they contain or reveal Confidential Information.

Protection is not limited to the particular mechanism or implementation disclosed. Publicly known problems and information otherwise excluded under Section 6 do not become confidential merely because they are mentioned in a disclosure.

3. PERMITTED USE; DOCUMENT REPRODUCTION; PROTECTION

3.1 Limited use and care. The Receiving Party shall:

- (a) use Confidential Information only for the Purpose;
- (b) protect it with at least reasonable care and no less care than it uses for its own similarly sensitive information; and
- (c) disclose it only as this Agreement permits or as the Disclosing Party authorizes in writing.

3.2 Administrative reproductions. The Receiving Party may reproduce documents and data files only as reasonably necessary for the Purpose, and distribute those reproductions only to representatives permitted under Section 5. Such reproductions remain Confidential Information, and existing confidentiality and ownership notices must be preserved. This permission concerns handling records; it does not authorize imitation, adaptation, implementation or commercial exploitation of the disclosed concept or solution, or fabrication of a prototype or product.

Necessary automatic backups, synchronization and temporary reproductions are permitted only in systems meeting Section 5 safeguards and remain subject to Section 11. This permission does not authorize AI processing.

3.3 Incidents. The Receiving Party shall promptly notify the Disclosing Party upon discovering unauthorized access, use or disclosure and reasonably cooperate to contain and remedy the incident.

4. NO UNAUTHORIZED USE OR DEVELOPMENT

4.1 Restricted activities. Unless expressly authorized in a separate signed agreement, the Receiving Party shall not use Confidential Information to:

- (a) implement, imitate, adapt, reverse engineer, disassemble or modify a disclosed concept, prototype, product, software or process;
- (b) develop, manufacture, market, sell or license a derived or competing product or process;
- (c) seek intellectual-property rights based on that information; or
- (d) assist another person in doing so.

4.2 Alternative solutions. The Receiving Party shall not use Confidential Information, including the confidential insights described in Section 2, to identify, select, direct, accelerate or otherwise support development or commercialization of an alternative solution outside the Purpose. This restriction applies even if the alternative employs a different mechanism, material, configuration or technical approach that the Disclosing Party did not disclose.

4.3 Changes and remembered information. Changing dimensions, appearance or components, combining information with other material, or recalling it from memory does not authorize otherwise prohibited use. The administrative reproduction permission in Section 3.2 does not authorize activities prohibited by this Section.

4.4 Independent development. Development undertaken without use of Confidential Information, or based solely on information excluded under Section 6, is not prohibited by this Section. A Receiving Party relying on independent development must support that claim with contemporaneous records or other competent evidence showing development without such use. A different mechanism alone does not establish independence; similarity alone does not establish a breach. These restrictions remain subject to the protection periods in Section 10.

5. REPRESENTATIVES AND OUTSIDE SERVICES

Disclosure is permitted to employees, professional advisers and contractors who need access for the Purpose and are bound by written duties or professional obligations at least as protective as this Agreement. The Receiving Party remains responsible for their compliance. Storage and processing providers must be subject to appropriate confidentiality and security protections; their access must be limited to providing the authorized service.

Before entering or allowing automated processing of Confidential Information in any AI service, the Receiving Party must obtain specific written authorization identifying the service, permitted use and applicable data-handling conditions, including retention, human access and model-training restrictions. Authorization does not waive other duties under this Agreement.

6. EXCLUSIONS

The Receiving Party must be able to establish that information:

- (a) was lawfully known to it without a confidentiality obligation before disclosure;
- (b) was public at disclosure or later became public without a breach by it or its representatives;
- (c) was lawfully received from a third party entitled to disclose it without restriction; or
- (d) was independently developed without using the Disclosing Party's Confidential Information.

The evidence standard in Section 4.4 also applies to independent development under this Section. Written permission to release information applies only to the extent of that permission.

A combination of information is not excluded merely because individual elements are public or previously known; the relevant combination must itself meet an exclusion. These exclusions do not grant rights under patents, copyrights or other applicable law.

7. LEGALLY REQUIRED DISCLOSURE

If compelled by law, subpoena or court order to disclose Confidential Information, the Receiving Party shall, to the extent legally permitted, promptly notify the Disclosing Party before disclosure, disclose only the portion legally required and reasonably cooperate in seeking confidential treatment. The Disclosing Party shall bear reasonable expenses it requests for that assistance. If advance notice is prohibited, notice shall be given promptly once legally permitted. The Receiving Party need not challenge the demand or violate a legal deadline or order. This notice requirement does not apply to protected disclosures under Section 8.

8. PROTECTED DISCLOSURES AND TRADE-SECRET IMMUNITY

Nothing in this Agreement restricts legally protected reporting, communications with government authorities or counsel, participation in an investigation, or receipt of a lawful whistleblower award. No prior authorization or notice is required for a protected disclosure. Nothing prohibits disclosures or discussion protected by applicable workplace laws, including Washington RCW 49.44.211 where applicable.

Under 18 U.S.C. Section 1833(b), an individual is immune from civil and criminal liability under federal and state trade-secret law for disclosing a trade secret (a) in confidence, directly or indirectly, to a federal, state or local government official or an attorney solely to report or investigate a suspected violation of law, or (b) in a complaint or other document filed under seal in a lawsuit or other proceeding.

An individual bringing an employer-retaliation lawsuit for reporting a suspected legal violation may disclose the trade secret to the individual's attorney and use it in the proceeding if documents containing it are filed under seal and it is otherwise disclosed only by court order. These protections do not authorize unlawful access to information. This notice also addresses individuals performing work as contractors or consultants for an employer.

9. OWNERSHIP; NO LICENSE; SEPARATE SERVICES

Confidential Information and associated intellectual-property rights remain with their respective owners. Disclosure grants only the limited right to use information for the Purpose, not a patent, copyright or other license or ownership interest. Each Party shall disclose only information it is authorized to disclose.

Neither Party must disclose information, purchase services, enter a transaction or continue discussions. This Agreement creates no partnership, agency or exclusivity. Development work, payment, deliverables, ownership of new work and any license must be addressed in a separate signed agreement before work begins. This Agreement does not assign inventions or determine legal inventorship.

Information is provided for evaluation without a warranty of accuracy, completeness or fitness for a particular purpose, except as expressly agreed in a separate signed agreement. Nothing in this provision excuses fraud or liability that cannot lawfully be excluded.

10. TERM AND SURVIVAL

This Agreement covers disclosures made during the five years following the Effective Date, unless either Party terminates future disclosures earlier by written notice. Confidentiality, limited-use and related protective obligations under Sections 2 through 8 and 11 continue for five years after each covered disclosure, subject to the exclusions and permissions stated in those sections.

For information qualifying as a trade secret under applicable law, those obligations continue as long as the information remains a trade secret. A breach does not extinguish liability or remedies for that breach. Termination does not authorize use of previously received information or impair accrued rights. Sections 9 and 12 survive as needed to give effect to their terms.

11. RETURN OR DESTRUCTION

Upon written request or termination, the Receiving Party shall stop using the Confidential Information and return or destroy it, including reproductions and materials revealing it, within 15 business days after receipt of the request or the effective date of termination, except to the extent continued use or retention is expressly authorized in a separate signed agreement. Upon request, an authorized representative shall confirm completion in writing within the same period or, if requested later, within 15 business days after receipt of that request. Business days exclude Saturdays, Sundays and U.S. federal holidays.

One restricted archival copy may be retained when reasonably necessary for legal compliance or preservation of legal rights. Routine backups may remain until ordinarily overwritten or deleted, and material subject to a legal preservation duty may be retained for that duty. These retention exceptions do not delay deletion from active systems. Retained material remains protected for the applicable period and may be used only for legal compliance or preservation or defense of legal rights. A restored backup remains subject to these limits.

12. GENERAL TERMS

12.1 Governing law.

Agreed U.S. state:

That state's laws govern, excluding conflict-of-law rules, subject to applicable federal law and nonwaivable protections. No exclusive court or arbitration forum is selected in this sample.

12.2 Remedies. Either Party may seek remedies available under applicable law, including injunctive relief where justified. No remedy, waiver of proof or waiver of a bond is guaranteed by this Agreement.

12.3 Entire agreement; changes. This is the entire agreement on confidentiality for the Purpose, including signed attachments. Amendments and waivers require a writing signed by both Parties. A later signed services agreement controls a conflict only to the extent it expressly addresses that conflict. Delay in enforcing a right does not waive it. An unenforceable provision does not invalidate the remainder to the extent permitted by law.

12.4 Notices; assignment. Notices go to the stated email or mailing address, as updated by notice under this Section. Receipt means the recipient's acknowledgment of an email, or documented delivery by tracked mail or courier. Automated replies or delivery failures are not acknowledgment. If email is not acknowledged, the sender must use tracked mail or courier; notice takes effect on documented delivery. Neither Party may assign this Agreement without the other's prior written consent; permitted assignment does not release existing obligations.

12.5 Counterparts; electronic signatures. The Parties consent to execution in counterparts and by electronic signature. Together, counterparts form one agreement. Electronic and scanned signed copies may be relied on as originals to the extent permitted by law.

13. SIGNATURES

Each signer agrees to the entire Agreement and confirms authority to bind the named Party when signing for an entity. Complete all material blanks and attach any agreed schedules before signing. Each Party should retain a complete signed copy.

PARTY A

Signature

Printed name

Title / capacity (if applicable)

Date signed

PARTY B

Signature

Printed name

Title / capacity (if applicable)

Date signed