

NON-DISCLOSURE AGREEMENT

SCALA, INC., whose address is 350 Eagleview Blvd, PA 19341, USA and its majority-owned subsidiaries ("Scala"), and _____, whose address is _____, ("SECOND PARTY"), as of this _____ day of _____, 20____ (the "Effective Date"). The Company and SECOND PARTY are collectively referred to herein as the "Parties" and each, a "Party".

SCALA and SECOND PARTY are about to begin or have begun discussions and negotiations concerning a beneficial business relationship between them. The Parties hereby agree to safeguard information obtained from the other in connection with any confidential information "CONFIDENTIAL INFORMATION". In connection therewith, the Parties further agree as follows:

1. For the purpose of evaluating, establishing or continuing a beneficial business relationship between SCALA and SECOND PARTY, each party intends to disclose to the other information about, or relating to, inventions, trade secrets and proprietary information, business plan, financial statements, projections, customers, suppliers, existing and potential projects, marketing, and other technical, commercial or financial information which is not in the public domain and which has been reasonably restricted by the disclosing party as confidential, hereinafter referred to as the "CONFIDENTIAL INFORMATION." Each party warrants and agrees that the CONFIDENTIAL INFORMATION in whatever form is received by the other Party shall be deemed confidential.
2. Each party may disclose to the other CONFIDENTIAL INFORMATION either orally or in writing (including graphic material). Information that is disclosed in writing without an appropriate letter, proprietary stamp or legend, or disclosed orally, shall constitute CONFIDENTIAL INFORMATION if (a) it would be apparent to a reasonable person, familiar with the disclosing party's business and the industry in which it operates, that such information is of a confidential or proprietary nature the maintenance of which is important to the disclosing party, or if (b) the disclosing party, within thirty (30) days after such disclosure, delivers to the receiving party a written document or documents describing such information and referencing the place and date of such oral, visual or written disclosure and the names of the employees or officers of the receiving party to whom such disclosure was made.
3. Each party shall not disclose the CONFIDENTIAL INFORMATION of the other party to any third party; provided, however, that each party may disclose the CONFIDENTIAL INFORMATION of the other party to its affiliates, employees, attorneys, accountants, financial advisors or consultants (collectively, "representatives") having a bona fide need to know the CONFIDENTIAL INFORMATION if such representatives are bound in writing to the party disclosing to them by obligations of confidentiality at least as restrictive as the terms set forth herein. In the event either party discloses CONFIDENTIAL INFORMATION of the other party to such representatives, such party shall be liable for any unauthorized disclosure thereof by such representatives. Each party shall exercise the same degree of care it normally uses to protect its own CONFIDENTIAL INFORMATION, but in no event less than reasonable care.
4. Nothing in this Agreement shall be construed as creating an agency, joint venture, partnership or other formal business relationship or association between the parties hereto or obligating either party to purchase from or provide any goods or services to the other party. Furthermore, neither party shall make, have made, use or sell for any purpose any product or other item using, incorporating, or derived from any CONFIDENTIAL INFORMATION of the other party.
5. Any CONFIDENTIAL INFORMATION supplied by either party shall remain the property of the disclosing party, including, but not limited to, derivatives, summaries, notes, and electronics files (extant and archived), and nothing in this Agreement shall restrict the disclosing party from using, disclosing or disseminating its own CONFIDENTIAL INFORMATION in any way. The parties recognize and agree that nothing contained in this Agreement shall be construed as a grant of any property rights to the receiving party, by license or otherwise, to any CONFIDENTIAL INFORMATION disclosed pursuant to this Agreement, any invention or any patent right that has been issued or that may be issued, or any copyright or other rights based on the CONFIDENTIAL INFORMATION.
6. The receiving party shall have no obligation with respect to any CONFIDENTIAL INFORMATION which:
 - (a) is shown to have been known or developed by the receiving party independent of any disclosure by the other party; or
 - (b) is or becomes available to the public through no breach of this Agreement; or
 - (c) is obtained from a third party legally entitled to disclose the same free of any non-disclosure restrictions; or
 - (d) is required by law to be disclosed, including in response to a valid order of a court of competent jurisdiction or authorized government agency, provided the disclosing party hereunder is notified promptly to allow it to request a protective order and the receiving party reasonably cooperates, at the disclosing party's expense, with the disclosing party's efforts to obtain a protective order.

Notwithstanding the foregoing, CONFIDENTIAL INFORMATION shall not be deemed to be in the public domain merely because any part thereof is embodied in a product or because individual features, components or combinations thereof are now or become known to the public.

7. This Agreement shall govern the disclosure of CONFIDENTIAL INFORMATION for a period of five (5) years from the Effective Date, and shall supersede any other general non-disclosure agreement between the parties, provided that any such other agreement does not specifically reference, supersede and replace this Agreement. The obligations hereunder with respect to each item of CONFIDENTIAL INFORMATION shall endure for five (5) years from the date of initial disclosure thereof and survive any earlier termination or expiration of the Agreement. The receiving party, upon written request by the disclosing party at any time, shall promptly return all CONFIDENTIAL INFORMATION and any copies thereof to the disclosing party or, if requested, shall promptly supply the disclosing party with a certificate executed by an authorized officer thereof certifying as to the completed destruction of the same. Any such return or destruction of CONFIDENTIAL INFORMATION shall not affect the term of this Agreement or the confidentiality obligations herein.
8. This NDA shall commence on the Effective Date and shall continue for the period described in Section 7, unless sooner terminated by either party, with or without cause, upon prior written notice sent by certified mail, return receipt requested. Such notice shall state the effective date of termination. Upon termination of this NDA, each party's obligations of confidentiality arising prior to the date of termination shall remain intact.
9. ALL CONFIDENTIAL INFORMATION IS PROVIDED "AS IS." THE PARTIES MAKE NO WARRANTIES, EXPRESS, IMPLIED OR OTHERWISE, REGARDING ITS ACCURACY, COMPLETENESS OR PERFORMANCE.
10. Each party shall adhere to the U.S. Export Administration Laws and Regulations and shall not export, re-export or transship, directly or indirectly, any CONFIDENTIAL INFORMATION or products received from the other party, or the direct product of such CONFIDENTIAL INFORMATION, to any proscribed country listed in the U.S. Export Administration Regulations unless properly authorized by the U.S. Government.
11. Each party acknowledges that monetary damages may not be a sufficient remedy for unauthorized use or disclosure of Confidential Information and that in the event of a breach or threatened breach of this Agreement, the non-breaching party shall be entitled, without waiving any other rights or remedies, to seek injunctive or equitable relief.
12. Both parties warrant they shall not disclose to the other party, their agents or representatives, any CONFIDENTIAL INFORMATION of any third party to which they may be privy, and shall indemnify and defend the other party from and against any and all breaches of this warranty.
13. The parties agree that the obligations of confidentiality arising out of this Agreement shall be binding upon and inure to the benefit of each party's respective successors or assigns. Moreover, the parties specifically agree that in the event of a change of control of a party, the party's obligations of confidentiality hereunder remain binding upon that party, and CONFIDENTIAL INFORMATION may not be disclosed to that party's new affiliates or parent without the disclosing party's prior express written consent.
14. This Agreement is not assignable or delegable in whole or in part without the written consent of the parties. This Agreement may not be amended, nor any obligation waived, except by writing and signed by duly authorized representatives of SCALA and SECOND PARTY. This Agreement shall be governed and construed by the laws of the State of Delaware, without reference to conflict of law principles. An executed original of this Agreement may be delivered by facsimile, which shall be binding as an original. The undersigned represent that they are authorized and empowered to sign on behalf of, and bind, their respective party.

SCALA

SECOND PARTY: _____

Signature: _____

Signature: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____