

Mutual Nondisclosure Agreement

THIS AGREEMENT is made between _____ (herein called "Associate" or "ASSOCIATE"), a _____ corporation, with its principal place of business at _____ and **VOICE PRINT INTERNATIONAL, INC.** (herein collectively called "Company" or "COMPANY"), a California corporation, with its principal place of business at: 160 Camino Ruiz, Camarillo, CA 93012-6700.

WHEREAS, Associate and Company may be disclosing certain confidential and proprietary information that the disclosing party considers proprietary relating to the following limited purpose: **DISCUSSIONS REGARDING POSSIBLE BUSINESS RELATIONSHIP(S) BETWEEN COMPANY AND ASSOCIATE** (hereinafter called the "Limited Purpose").

WHEREAS, Company and Associate desire that any confidential and/or proprietary information disclosed be used by the parties solely for such Limited Purpose. Company and Associate each agree to treat such proprietary information of the other party under terms and conditions of this Agreement.

1. The parties acknowledge that the information disclosed in accordance with Paragraph 4(a) hereof (hereinafter "Information" or "Proprietary Information") is claimed to be confidential, proprietary and a valuable, special, and unique asset of the party disclosing such information. The parties agree that they (a) will keep all disclosed information in confidence, (b) will not use any information except for the Limited Purpose, (c) will disclose the information only to employees of the receiving party that have a need to know such Information in order to fulfill the Limited Purpose, and (d) will not disclose any portion of the Information to any third party except legal counsel or other party in a confidential relationship with the receiving party without the prior written consent of the disclosing party. Each party covenants on behalf of itself, its officers, directors, agents, employees, and affiliates not to disclose such Information.
2. No information shall be furnished which the disclosing party does not have the right to furnish, and the disclosing party shall defend and indemnify the recipient against any claim, liability or expense (including reasonable attorneys' fees) resulting from the breach of such obligations; provided that (a) the recipient provides the disclosing party with timely notice of the claim and (b) the disclosing party is given the sole right to defend, compromise and settle any such claim. If the disclosing party does not actively defend the claim, the recipient may defend the claim with its own attorney subject to the indemnifications provided for herein.
3. Each party agrees to use the same degree of care to protect the confidentiality of all Information as it uses to protect its own confidential and proprietary information (which it does not wish to have published or disseminated). However, in no event shall the parties use less than a reasonable degree of care to protect the Information. The recipient further agrees to limit access to such Information to its employees who have a need to know of such Information. The restrictive obligations under this Agreement will apply to a particular piece of information for so long as it remains "Proprietary Information" as defined herein.
4. In order to ensure that the Information disclosed by each party to the other is used only in accordance with the purposes stated above, the parties agree to the following:
 - a. Information disclosed by the parties that the parties in good faith regard as confidential and/or proprietary shall be clearly marked as "Confidential", "Proprietary", or bear any other appropriate notice indicating the sensitive nature of the Information. Any Information not easily markable, including Information orally disclosed, shall, within thirty (30) days, be identified and designated as confidential by the disclosing party under cover of written letter indicating key points discussed. However, Information also includes, whether marked "Confidential", "Proprietary", or bear any other appropriate notice indicating the sensitive nature of the Information or not; (a) data regarding product information or commitments, proposals between the parties hereto, or financial information of either of the parties hereto, and (b) any and all technical, supplier or customer information which is disclosed or transferred between the parties hereto.
 - b. Information shall not be afforded the protection of this Agreement if such Information: (i) has been, is now, or later becomes publicly available through no fault of the receiving party; or (ii) is disclosed by the receiving party pursuant to the written permission of the disclosing party; or (iii) has been, is now, or later becomes rightfully learned by the receiving party from a third party who is not under restriction or duty imposed by the disclosing party; or (iv) was known to the receiving party prior to the date of the disclosure of such Information; or (v) has been or later is independently developed by the receiving party without use of or resort to such Information, and can be so proven by written records.

If only a portion of the Information falls under one of the above subsections, then only that portion shall be excluded from the terms and conditions of this Agreement.

5. If the receiving party is confronted with legal action to disclose Information received under this Agreement, the receiving party shall promptly notify the disclosing party. The receiving party shall reasonably assist the disclosing party in obtaining a protective order from the Court or governmental body requiring that any portion of the Information required to be disclosed be used only for the purpose for which a court issues an order, or for such other purposes as required by law. Each party shall bear its own legal expenses.
6. All Information disclosed under this Agreement shall remain the property of the disclosing party. At the disclosing party's request at any time, or upon completion of the purposes for which the Information was disclosed, the Information in tangible form shall be promptly returned or destroyed, together with all copies thereof or with certification thereof from an officer of the Recipient at the

request of the disclosing party. Upon request, the receiving party shall provide written certification of the destruction or the return of all Information and copies thereof.

7. Recipient agrees that it will not transfer any Confidential Information received hereunder or any product made using such Confidential Information, to any country prohibited from obtaining such data or product by the U.S. Department of Commerce Export Administration Regulations without first obtaining a validated export license.
8. Recipient agrees that during the pendency of the Limited Purpose, and for three years thereafter, Recipient will not, without the express prior written consent of the disclosing party, directly or indirectly: (i) solicit, orally or in writing, for itself or any other person or entity, the business of any customer for the purpose of selling digital voice recorder systems that compete with Company's product line of digital voice recorder systems; (ii) persuade or attempt to persuade any customer of Company to cease doing business with Company with regard to digital voice recorder systems.
9. During the pendency of the Limited Purpose and for one year thereafter, Associate shall not (i) persuade or attempt to persuade any employee of Company, to leave Company's employ or to become employed by any other person or entity, or (ii) employ any former employee of Company until such employee's employment with Company has been terminated with Company for a period of at least one year.
10. Recipient will not, directly or indirectly, use or otherwise appropriate any Information provided by Company to develop or cause to be developed a Microsoft Windows NT based (or updates thereof or successor software thereto) digital voice recorder that utilizes DVD Ram as archive media.
11. Recipient acknowledges and agrees that if within three years of the date hereof it develops, uses, markets, or otherwise sells any product which directly or indirectly incorporates or uses Company's confidential Information, it will be deemed a violation and breach of this Agreement and entitle Company to immediately seek injunctive relief in addition to any other remedy afforded by law.
12. Nothing in this Agreement shall be construed as granting a patent license under any patent, or granting a technology know-how or show-how license. The disclosure of Information shall likewise not be construed as any type of license or representation, warranty, assurance, guaranty, or inducement by either party with respect to completeness of the information provided, infringement of any patent or other proprietary right, or a commitment by either party to enter into any further or other Agreement, nor does it create any agency or partnership relationship between the parties.
13. All notices required to be given shall be considered as given upon certified or registered mailing, if postpaid, on day after deposit with an overnight or international air courier service or upon facsimile transmission (with a confirmation copy being sent by mail or air courier service) and, in each case, addressed or faxed as follows (unless the addresses have been changed by written notice):

Company: Voice Print International, Inc.
160 Camino Ruiz
Camarillo, California 93012-6700
Attention: C.G. Hatfield, Esq.
Telephone: (805) 389-5209
Fax: (805) 389-5205

Associate:
Attention:

14. This Agreement embodies the entire understanding between the parties pertaining to the subject matter hereof. The parties acknowledge that they are not relying on any representation, promise, or other statement, whether written or oral, that is not contained expressly in this Agreement. This Agreement shall not be modified except by a writing duly executed by, or on behalf of, the party against whom such modification is sought to be enforced.
15. The effective date of this Agreement is the date the last signature is affixed hereto, and the term of this Agreement shall be three (3) years from the effective date, however recipients shall have an obligation to maintain the confidentiality of Information for three years past disclosure.
16. This Agreement shall be interpreted in accordance with the laws of the State of California, without regard to conflicts of law principles.
17. In no event shall either party be liable to the other or any third party for exemplary, special, indirect, incidental or consequential damages arising out of, resulting from, or in any way connected with the performance or breach of this Agreement, or the provision of Information or any other information pursuant to this Agreement, even if such party knew or should know of the possibility of such damages.
18. The persons signing warrant that they are duly authorized to sign for, and on behalf of, the respective parties.

IN WITNESS WHEREOF, the parties have executed this Agreement in duplicate originals.

ASSOCIATE:

COMPANY:
VOICE PRINT INTERNATIONAL, Inc.

Signature

Signature

Print or Type Name

Print or Type Name

Title

Title

Date

Date