

CONFIDENTIAL DISCLOSURE AGREEMENT

Effective Date:

To protect certain confidential information that may be disclosed between _____ and Iskra Mehanizmi, d.o.o., both parties agree that:

1.

The Disclosers and Recipients of confidential information are:

_____ -

and

ISKRA MEHANIZMI, d.o.o., Lipnica 8, SI-4245 Kropa, Republic of Slovenia

2.

This Confidential Disclosure Agreement is binding for all employees of both parties, irrespective of legal kind of co-operation between the parties.

3.

The confidential information disclosed under this Agreement is described as:

Any technical data, drawings, pricing, samples, names of partners, financial information and all other data and issues relating to _____ for the development, marketing and sales of the applications that consist of one or more such parts.

4.

This agreement controls all confidential information which is disclosed after the effective date.

5.

A party receiving confidential information under this Agreement ("Recipient") shall use the confidential information only for the purpose of:

A Recipient may not use, employ or exploit the confidential information received by it for any other purpose, including without limitation developing products for its own internal or external use. Also, a Recipient may not disclose or disseminate the confidential information to any person other than appropriate personnel of Recipient or its affiliate.

6.

A Recipient's duty to protect confidential information disclosed under this Agreement expires on the _____.

7.

A Recipient shall protect the disclosed confidential information by using a reasonable degree of care.

8.

A Recipient shall have a duty to protect only that confidential information which is (a) disclosed by the Discloser in writing and is marked as confidential at the time of disclosure, or (b) disclosed by the Discloser orally with an oral designation of confidentiality and is also summarised and designated as confidential in a written memorandum delivered to the Recipient's representative named in paragraph 2 above within thirty days of the oral disclosure.

9.

This Agreement imposes no obligation upon a Recipient with respect to confidential information which (a) was in the Recipient's possession before receipt from the Discloser; (b) is or becomes a matter of public knowledge through no fault of the Recipient, (c) is rightfully received by the Recipient from a third party without a duty of confidentiality; (d) is disclosed under operation of law including in compliance with an Order of a Court, or (e) is disclosed by the Recipient with the Discloser's prior written approval, Recipient agrees to give Discloser prompt notice of any discovery request or order, subpoena or other legal process requiring disclosure of any confidential information, to give Discloser an opportunity, at its discretion, to seek a protective order or similar relief.

10.

Each Discloser warrants that it has the right to make the disclosures under the Agreement and that the use by the Recipient of the confidential information for the purposes described in Paragraph 5 above does not infringe any rights of third parties relating to such information.

11.

Neither party acquires any intellectual property rights under this Agreement except the limited right to use set out in Paragraph 5 above.

12.

All additions or modifications to this Agreement must be made in writing and must be signed by both parties.

13.

Any dispute arising out of or in connection with this Agreement shall be solved through mutual consent. This Agreement shall be governed by, construed and interpreted by the law of Slovenia. Venue is Kranj, Slovenia.

14.

This Agreement contains the entire understanding of the parties with respect to its subject matter.

15.

This Agreement is composed in 2 (two) copies in the English language, of which each party shall receive one copy.

ISKRA MEHANIZMI, d.o.o.
Lipnica 8
SI-4245 Kropa

Dr. Marjan Pogačnik
General Manager