

Non Disclosure Agreement

This Agreement is made effective this _____ day of _____, 2012 between: _____ (together with all it's Affiliates, herein called the "Company") and **Alcohol Countermeasure Systems Corp.** (together with all it's Affiliates, herein called "ACS").

Whereas, ACS possesses confidential and/or proprietary information and trade secrets related to its business, being information possessed by ACS about ACS and its business activities of a sort that is not generally known, which information is used or is useful in the conduct of ACS's business, or confers or tends to confer a competitive advantage over one who does not possess the information. Confidential Information includes, without limitation (i) trade secrets, know-how, information about existing, new or envisioned ACS products and processes and their development and performance, any scientific, engineering, or technical information, computer software and hardware, business and financial information, unpublished lists of names, and information relating to manufacturing, purchasing, inventories, data processing, personnel, marketing, sales, pricing, costs and quotations; (ii) and information received by ACS from others which ACS has an obligation to treat as confidential. All information which becomes known to the Company as a result of or in the course of dealings with ACS, which the Company reasonably believes is Confidential Information, or which ACS takes measures to protect, shall also be regarded as Confidential Information (collectively the "CONFIDENTIAL INFORMATION");

Whereas, the Company wishes to do business with ACS, which will entail the disclosure by ACS of certain CONFIDENTIAL INFORMATION to the Company and the parties have agreed such disclosure shall be subject to the terms and conditions of this Agreement;

Now, therefore, in consideration of the receipt of certain CONFIDENTIAL INFORMATION, the Company agrees as follows:

1. **Permitted Use.** The Company shall (a) hold all CONFIDENTIAL INFORMATION received from ACS in strict confidence; (b) use such CONFIDENTIAL INFORMATION only for the purpose of evaluating, establishing or continuing a business relationship or other commercial arrangement with ACS concerning such CONFIDENTIAL INFORMATION; (c) reproduce such CONFIDENTIAL INFORMATION only to the extent necessary for such purpose; (d) restrict disclosure of such CONFIDENTIAL INFORMATION to it's employees with a need to know and as a precondition of such disclosure advise all such employees of the strictly confidential nature of such information; and (e) not disclose such CONFIDENTIAL INFORMATION to any third party without prior written approval of ACS.

The restrictions on the Company's use and disclosure of CONFIDENTIAL INFORMATION shall not apply to any CONFIDENTIAL INFORMATION which the Company can demonstrate (a) is or has become generally available to the public without breach of this Agreement by the Company; (b) at the time of disclosure to the Company, was known to the Company free of restriction as evidenced by documentation in the Company's possession; or (c) is disclosed in response to a valid order of court or other applicable governing body, but only to the extent of and for the purpose of such order, and provided that the Company shall first notify ACS in writing of the order and permit ACS or its nominee to seek a protective order as ACS deems advisable.

2. **Affiliates.** This Agreement is intended to encompass the Affiliates of the parties hereto, consequently either party or its Affiliates may disclose CONFIDENTIAL INFORMATION to the other party or its Affiliates and either party or its Affiliates may receive information from the other party or its Affiliates. The term "ACS" and "Company" shall include Affiliates of the parties hereto with respect to CONFIDENTIAL INFORMATION disclosed or received by any Affiliates. The rights and obligations of the parties hereto shall enure to the benefit of and be binding upon their respective Affiliates and may be directly enforced by or against such Affiliates. For the purposes of this Agreement the term "Affiliate" shall mean any person who is a director and/or officer of a party hereto and any entity which directly or indirectly controls, is controlled by, or is under common control with a party to this Agreement at any time.

3. **No License or Representations.** No license to the Company of any intellectual property right is either granted or implied by this Agreement or any disclosure hereunder. No representation, warranty or assurance is made by ACS with respect to the non-infringement of intellectual property rights or other rights of third persons or with respect to the content of or continued accuracy of the CONFIDENTIAL INFORMATION.

4. **Export Control.** The Company shall adhere to all applicable laws, regulations and rules relating to the export of technical data and shall not export or re-export any technical data, any products received from the other party, or the direct project of such technical data to any prohibited country listed in such applicable laws, regulations and rules unless properly authorized.

5. **No Obligation.** Neither this Agreement nor the disclosure or receipt of CONFIDENTIAL INFORMATION shall be construed as creating any obligation of a party to furnish information to the other party or to enter into any agreement or relationship with the other party.

6. **Return of Information.** All CONFIDENTIAL INFORMATION shall remain the sole property of ACS and all materials containing any such CONFIDENTIAL INFORMATION (including copies made by the Company) shall be returned to ACS

upon request of ACS, upon termination or expiration of this Agreement, or upon the Company's determination that it no longer has a need for such CONFIDENTIAL INFORMATION. Upon request of ACS, the Company shall certify in writing that all materials containing such CONFIDENTIAL INFORMATION (including all copies thereof) have been returned to ACS.

7. **Term and Termination.** This Agreement shall become effective on the date first set forth above and shall terminate upon the happening of the earlier of:

- (a) the written notice by ACS to the Company of its election, with or without cause to terminate this Agreement; or
- (b) the expiration of sixty (60) months from the first date set above.

8. **Notice.** Any notice or other communication made or given by either party in connection with this Agreement shall be served by registered or certified mail postage prepaid, return receipt requested or by courier service addressed to the other party at and the address and to the attention of the representative indicated in this Agreement with a copy to the Legal Department.

9. **Survivability.** Each party agrees that all of its obligations undertaken herein shall survive and continue after any termination or expiration of this Agreement.

10. **Injunctive Relief.** The Company agrees that any unauthorized use of any of the CONFIDENTIAL INFORMATION in violation of this Agreement will cause ACS irreparable injury for which ACS would have no adequate remedy at law. Accordingly, ACS shall be entitled to immediate injunctive relief prohibiting any violation of this Agreement, in addition to any other available rights and remedies.

11. **Governing Law.** This Agreement shall be interpreted in accordance with and governed by the laws of the Province of Ontario, Canada, excluding conflicts of laws provisions and excluding the United Nations Convention on Contracts for the International Sale of Goods. The parties hereby submit to the non-exclusive jurisdiction of the courts of Ontario, and the Federal Court of Canada. Any actions against ACS must be commenced in the courts of Ontario or the Federal Court of Canada.

12. **Interpretation.** All sections, clauses and covenants contained in this Agreement are severable, and in the event any of them shall be held to be invalid by any court, this Agreement shall be interpreted as if such invalid sections, clauses or covenants were not contained herein if, in any judicial proceedings, a court shall refuse to enforce the restrictions imposed herein to their fullest extent, then the restrictions set forth herein shall be reduced to the extent necessary to permit enforcement to the fullest extent possible.

13. **Miscellaneous.** This Agreement constitutes the entire understanding between the parties hereto as to the CONFIDENTIAL INFORMATION and supercedes all prior discussions between them relating thereto. No amendment or modification of this Agreement shall be valid or binding on the parties unless made in writing and signed on behalf of each of the parties by its authorized officer or representative. Neither party may assign or transfer, in whole or in part, any of its rights, obligations or duties under this Agreement. The failure or delay of either party to enforce at any time any provision of this Agreement shall not constitute a waiver of such party's rights thereafter to enforce each and every provision of this Agreement

14. **Language.** It is the express wish of the parties hereto that this document and any documents related hereto shall be drawn up in the English language. Il est de la volonte expresse des parties que le present document et tous les documents qui s'y rattachent soient rediges en langue anglaise.

IN WITNESS WHEREOF, the duly authorized representatives of the parties have executed this Agreement on the respective dates entered below.

Company:

Address: _____

By: _____

Name: _____

Title: _____

Date: _____

I have authority to bind the Corporation.

ACS: Alcohol Countermeasure Systems Corp

Address: 60 International Boulevard, Ontario M9W 6J2 CANADA

By: _____

Name: Felix J.E. Comeau

Title: Chairman & CEO

Date: _____

I have authority to bind the Corporation.