NON-DISCLOSURE AGREEMENT

between

**Freudenberg e-Power Systems GmbH**

Bayerwaldstraße 3, 81737 München

Federal Republic of Germany

- hereinafter “**FEPS**”-

and

**[XXX]**

Complete company name, with legal form)

Address/Domicile

Country

- hereinafter “**CUSTOMER**” -

* FEPS and the CUSTOMER are hereinafter jointly referred to as the

“**Parties**” or individually as a “**Party**” -

The Parties agree as follows:

1. **Project**

The Parties intend to cooperate in the field of [*please specify the project briefly and concisely*] whereby CUSTOMER will gain insight into highly confidential, innovative technology of FEPS (hereinafter referred to as “**Projec**t”) and are engaging in a detailed evaluation of the content and scope of such potential cooperation in said Project.

1. **Confidential Information**

For the purpose of cooperation in the Project, the Parties shall provide one another with information not available to the general public and upon finalization of this Agreement shall limit (a) third party access to said information and (b) the scope of the authorized usage of such information.

"**Confidential Information**” as defined by this Agreement includes any and all

1. Unpublished technical, commercial or other data;
2. Trade secrets in the sense of § 2 No. 1 of the German Trade Secrets Protection Act (in German: *Geschäftsgeheimnisgesetz, the “****GeschGehG****”)*, specifically know-how, customer lists, contractual information, prices, product volumes, product usage, raw material costs, marketing information, strategic plans, inventions, data, processes, testing methods and results, material composition, formulae and product composition, specifications, drawings, graphics and diagrams, software, photographs, samples, prototypes, production processes, analyses, tests and experiments (regardless whether or not the information is patentable),
3. (Personal) data, which is subject to data protection regulations or a similar secrecy obligation or is of a similar nature to the data that are subject to data protection laws or
4. Information, which by its very nature generates an interest in maintaining its confidentiality for the disclosing party,

and which the one Party (“**disclosing Party**”) provides, reveals or makes accessible by some other means to the other Party (“**receiving Party**”), in whatever form and on whatever media as part of the Project.

Confidential Information under this Agreement specifically includes such information, which (a) is revealed in writing, electronically or some other physical form and contains an indication of its confidential nature, (b) the disclosing Party summarizes in writing for the receiving Party within three (3) weeks of its verbal disclosure (such as visit report) indicating the confidential nature of said information or (c) is made accessible by some other means (prototypes, production know-how, etc.) and by its nature is classified as confidential.“**Information**” here encompasses both the Confidential Information itself as well as any data storage media used to store the Confidential Information.

1. **Secrecy**

The Parties shall be obligated to (a) treat Confidential Information provided by the other Party as secret, (b) only duplicate and use the Information as necessary for the Project, (c) not disclose the Confidential Information to third parties without the pradior written approval of the disclosing Party, (d) protect said Information from unauthorized access and (e) not store said Information in an online-based IT infrastructure (Cloud) which does not comply with state-of-the-art IT security requirements i.e. if the Confidential Information is stored in an online-based IT infrastructure (Cloud), each Party is obliged to ensure that the obligations arising from this Agreement are fulfilled by means of appropriate contractual and technical provisions and appropriate security measures and to ensure that the contracted service providers fully comply with the European General Data Protection Regulation (EU 2016/679). Each Party shall be obligated to treat the storage and usage of Confidential Information with a degree of care at least equal to that which said Party treats its own Confidential Information.

In any case, both Parties reserve the right to disclose the Confidential Information to Affiliated Companies involved in the Project, provided the Affiliated Companies are subject to non-disclosure obligations equivalent to those in this Agreement and the Affiliated Companies are not in competition with the disclosing Party. An “**Affiliated Company**” as defined in this Agreement is any company, which directly or indirectly controls one of the Parties, is controlled by the same entity as one of the Parties or is directly or indirectly controlled by one of the Parties, whereby control in this Agreement is (a) direct or indirect shareholdings equivalent to more than 50% or (b) a majority of the voting rights (over 50%).

If and to the extent a Party directly or indirectly – via any of its Affiliated Companies - discloses Confidential Information to the other Party as part of the Project, such Confidential Information shall also be included in the scope of this Agreement.

1. **Exemptions**

The confidentiality and restricted-use obligations shall not apply if the receiving Party is able to prove that:

(a) The receiving Party was aware of the Confidential Information prior to disclosure.

(b) The Confidential Information is disclosed by a third party after the Confidential Information is communicated by the disclosing Party and a non-disclosure obligation was not imposed by that third party, without the third party having violated a non-disclosure obligation towards the disclosing Party to the best knowledge of the receiving Party.

(c) The Confidential Information at the time of communication was publicly available or was revealed after communication through no fault of the receiving Party.

(d) The Confidential Information was invented or developed by the relevant receiving Party or one of said Party’s Affiliated Companies or its employees independent of the Confidential Information provided by the disclosing Party, or

(e) The receiving Party is obligated to disclose said Confidential Information as part of a request from a government authority or due to a final court order; in such event the receiving Party shall immediately inform the disclosing Party of such proceedings to the extent legally permissible and thus provide the disclosing Party the opportunity to take adequate protective steps.

Confidential Information shall not be considered public if disclosed only to a small circle of individuals. Combined Confidential information shall not be deemed public simply because individual components of the Confidential Information are known to the general public.

1. **Analytical Restriction**

The receiving Party shall not analyze any models, samples, probes and prototypes for their chemical composition, physical properties or in any other manner without prior written approval from the disclosing Party. Any results from a possible analysis shall be disclosed to the disclosing Party, deemed Confidential Information of the disclosing Party and thus be subject to the provisions of this Agreement.

1. **Limitations on Recipients**

The Parties shall also limit access to or disclosure of the Confidential Information only to those bodies, employees or advisors as well bodies, employees or advisors from Affiliated Companies to those cases where such access is critical to their contribution to the Project. The Parties shall be obligated to make sure that such persons are subject to non-disclosure obligations under either (a) their employment agreements or other contractual provisions or (b) legal and professional provisions.

1. **No Rights Transfer, No Guarantee**

An obligation to transfer information shall not be established upon the signing of this Agreement. The disclosure of Confidential Information and any transfers of corresponding documents or data packages shall not establish any rights for the receiving Party, in particular no license rights to industrial copyrights, know-how or copyrights of the disclosing Party. The disclosing Party shall not assume any guarantee for the correctness or completeness of the disclosed or accessible Confidential Information and shall assume no liability for its suitability for the purposes of the cooperation.

The Parties agree that the disclosure of Confidential Information does not constitute a publication, and the receiving Party shall not have any claims to the right to prior use in accordance with the German Patent and Utility Model Law.

1. **Confidentiality of this Agreement**

Without the other Party's written consent, neither Party shall disclose to any third person the fact that (i) this Agreement has been signed, (ii) the Parties share Confidential Information as part of the Project and (iii) that discussions are taking place with regard to a possible cooperation between the Parties concerning the Project.

1. **Property of the Disclosing Party**

Should documents, samples or models be supplied to the receiving Party when disclosing Confidential Information, the disclosing Party shall remain sole owner of said documents, samples or models.

1. **Return of Confidential Information**

Upon written request from the disclosing Party, the receiving Party shall be obligated to (a) return or destroy all documents, samples or models including any available copies, notes, excerpts and imitations immediately and at any time as well as (b) make sure that the Party’s bodies, employees and advisors as well as their Affiliated Companies and their bodies, employees or advisors receiving the Confidential Information have fulfilled all obligations listed in this Section 10 of this Agreement.

The obligations named above shall not apply to (a) Confidential Information saved as part of routine data backups and when deletion would involve unreasonable expense, (b) Confidential Information subject to a legal retention period as well as (c) a copy of the Confidential Information retained to act as evidence of contractually stipulated conduct on the part of the receiving Party. In all events involving the legitimate retention of Confidential Information, the receiving Party shall comply with the rules and provisions outlined in this Agreement for the full duration of the retention/storage period in matters pertaining to said information.

1. **Written form**

Amendments or supplements to this Agreement must be made in writing or in electronic form to be effective. The above shall also apply to the revocation or alteration of the form requirement itself in this Section 11.

1. **Severability, Invalid Clauses**

Should any of the individual provisions of this Agreement be or become partially or fully invalid, this shall not affect the validity of the remainder of this Agreement. The Parties shall substitute said invalid provision with a valid provision which reflects as closely as possible the economic intent of the Parties upon conclusion of this Agreement.

1. **Term**

This Agreement shall become effective on the date of the last Party’s signing and remain in effect for [five (5)] years. The obligations in this Agreement shall remain in force for a further [five (5)] years after the termination of this Agreement. Notwithstanding the provision in Sentence 1, the receiving Party shall treat trade secrets (protected information under the current legal provision in § 2 no. 1 GeschGehG, particularly know-how) with confidentiality even after the end of the follow-up period in keeping with this Agreement and shall not attempt to monetize said information.

1. **Applicable Law and Arbitration Clause**

This Agreement shall be exclusively construed and interpreted in accordance with the laws of Germany excluding the United Nations Convention on Contracts for the International Sale of Goods and without recourse to other bilateral or multilateral treaties aiming at harmonizing international sales as well as its principles of conflict of law.

Any disputes arising out of or in connection with this Agreement, including the validity of this arbitration clause, shall be finally settled by a sole arbitrator in accordance with the Arbitration Rules of the German Arbitration Institute (DIS e.V.) without recourse to the ordinary courts of law. The seat of arbitration is Frankfurt am Main, Germany. The language of the arbitration shall be German. The rules of law applicable to the merits shall be the laws of Germany.

|  |  |
| --- | --- |
| **Freudenberg e-Power**  **Systems GmbH** | **[CUSTOMER, full name with legal form*]*** |
| München, on \_\_.\_\_.20\_\_ | ............................., on \_\_.\_\_.20\_\_ |
| ....................................................  Name:  Position: | ....................................................  Name:  Position: |
| ....................................................  Name:  Position: | ....................................................  Name:  Position: |