



8271 Keele St. Concord ON L4K 1Z1
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www.clovertoolmfg.com

NON-DISCLOSURE AGREEMENT

THIS AGREEMENT is entered into between **Clover Tool Mfg. Ltd.** (hereinafter referred to as “**Clover Tool**”) and _____, (hereinafter referred to as “**Supplier**”) as of _____, (the “**Effective Date**”).

BACKGROUND:

- A. The parties wish to exchange Confidential Information, to evaluate business opportunities in which Supplier may supply goods or services to Clover Tool pursuant to **Clover Tool requests for quotations** during the Term of this Agreement (the “**Purpose**”).
- B. The parties are entering into this Agreement to provide for the respective rights and obligations of the parties in respect of Confidential Information exchanged in connection with the Purpose.

NOW THEREFORE, as a condition of the disclosure of Confidential Information, and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged the parties agree as follows:

- 1. For the purposes of this Agreement, the term “**Confidential Information**” shall include each party’s respective proprietary information, including without limitation, trade secrets, formulas, non-public product specifications and composition data, technical information, raw materials, drawing, manufacturing techniques, production volumes and scheduling, business information, banking and investment records, financial information, accounting data, sales volumes and forecasts, packaging processes and materials, brands and product pricing, customers and customer related information, quality controls, facilities and equipment, samples and other confidential or proprietary data. Confidential Information may be in written or electronic form, orally disclosed, or visually examined and may or may not be expressly marked as “Confidential”
- 2. Confidential Information shall not include information if the same:
 - a. Is in the public domain or in the possession of the Receiving Party without restriction at the time of receipt under this Agreement;
 - b. Is used or disclosed with prior written approval of the Disclosing Party;
 - c. Is independently developed by or for the Receiving Party without use of the Confidential Information and such independent development can be shown by documentary evidence;
 - d. Becomes known to the Receiving Party from a source other than the Disclosing Party without breach of this Agreement by the Receiving Party;



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- e. Is made available by the Disclosing Party to a third party on an unrestricted, non-confidential basis; or
 - f. Is required to be disclosed by a law, government regulation or court order provided however that the Confidential Information shall only be disclosed to the extent required by such law, regulation or order and only after the Disclosing Party is provided advance notice of such intended disclosure, unless such notice is prohibited under such law, regulation or order.
3. The term (hereafter referred to as “**Term**”) of this Agreement shall be for a period of twenty-four (24) months from the Effective Date, provided that with respect to any Confidential Information exchanged during the Term, the provisions in this Agreement shall continue to apply to such Confidential Information following the Term for so long as it remains Confidential Information.
4. During the Term, a party (a “**Disclosing Party**”) may disclose Confidential Information to the other party (the “**Receiving Party**”) in order to further the Purpose. Each Receiving Party agrees that it will not use the Confidential Information of the Disclosing Party other than for the Purpose and covenants and agrees not disclose such Confidential Information to any person outside its organization. The Receiving Party shall use the same standard of care to maintain the confidentiality of the Disclosing Party’s Confidential Information as for its own Confidential Information, and in any event such standard of care shall be no less than a reasonable standard of care.
5. Each Receiving Party agrees to prevent the use of the Confidential Information inside its organization except for the Purpose of this Agreement and shall not disclose any Confidential Information to any other person except to those shareholders, directors, officers, partners, members, employees, agents, advisors, contractors and consultants of the Receiving Party (collective “**Representatives**”) who need to know such Confidential Information for the Purpose and who are bound by confidentiality restrictions which are no less onerous than the terms of this Agreement. The Receiving Party shall take appropriate action by way of instructions to, or written agreements with, its Representatives to whom Confidential Information of the Disclosing Party is disclosed to advise them of all obligations pertaining to the protection of the Disclosing Party’s Confidential Information. The Receiving Party shall be liable to the Disclosing Party for any failure of its Representatives to protect the Disclosing Party’s Confidential Information in the manner and to the extent required by this Agreement.
6. The parties agree not to disclose that they are evaluating the Purpose, the nature of any discussions between the parties or the terms of this Agreement.
7. Supplier acknowledges that Clover Tool may evaluate alternative business opportunities for procuring or internally manufacturing production quantities manufactured components that are the subject of this Agreement and that this Agreement will not prevent Clover Tool from



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engaging third parties or utilizing internal resources for pursuing alternative business opportunities.

8. Any copies of Confidential Information made by the Receiving Party shall reproduce the proprietary markings and any other legends contained thereon.
9. Receiving Party shall notify the Disclosing Party of any unauthorized disclosure of the Disclosing Party's Confidential Information immediately upon discovery of the same. The Receiving Party shall indemnify and hold harmless the Disclosing Party from and against any and all loss, damage, liability, actions and claims, including all legal fees and costs, which arise from the unauthorized disclosure or use of any Confidential Information or breach of any other provisions of this Agreement by it or by any of its Representatives.
10. Each party shall return or destroy all Confidential Information of the other party once such Confidential Information is no longer needed to fulfill the Purpose. At any time, immediately upon the written request of the Disclosing Party, the Receiving Party shall return, or destroy all Confidential Information received from the Disclosing Party, including all copies and summaries thereof. Without limiting the foregoing, Supplier shall return or destroy all Clover Tool Confidential Information promptly upon notification of non-selection by Clover Tool or upon decision by the Supplier not to quote on the request for quotation.
11. Any markings, stamps, or legends identifying Confidential Information hereunder shall not impose any obligations on either party inconsistent with the obligations under this Agreement.
12. Each party warrants that to the best of its knowledge and belief it has the right and power to disclose such Confidential Information for the Purpose stated above. All Confidential Information made available to the Receiving Party is provided "as is" without any warranties, express or implied. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE WITH RESPECT TO ANY USE OF CONFIDENTIAL INFORMATION ARE DISCLAIMED AND EXPRESSLY EXCLUDED FROM THE TERMS OF THIS AGREEMENT. Under no circumstances shall the Disclosing Party be liable for any consequential, indirect, incidental, special or punitive damages, including, but not limited to, any damages resulting from loss of principal, loss of profit, loss of business, or any other loss that may be caused, directly or indirectly, by any defect, insufficiency or deficiency in any Confidential Information disclosed hereunder.
13. The parties hereto shall perform their respective obligations under this Agreement without charge to the other.
14. Nothing in this Agreement shall grant to either party the right to make commitments of any kind for, or on behalf of, the other party without the prior written consent of the other party.
15. All right, title and interest in Confidential Information disclosed under this Agreement resides solely and exclusively with the Disclosing Party. Nothing in this Agreement obligates the



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Disclosing Party to disclose to the Receiving Party any particular information whether or not it constitutes Confidential Information. Nothing herein shall grant, expressly or impliedly, any ownership right or license to use (except for the Purpose stated above) Confidential Information disclosed hereunder.

16. All notices hereunder shall be given by letter addressed as follows or such other address as a party may designate in writing to the other:

If to Clover Tool:

Clover Tool Mfg. Ltd.
Attn: Paula Costa
8271 Keele Street
Concord, ON L4K 1Z1
Canada

with a courtesy copy to:

Clover Tool Mfg. Ltd.
Attn: George Zeni
8271 Keele Street
Concord, ON L4K 1Z1
Canada

If to the Supplier:

Attn: _____

17. This Agreement shall be governed by and interpreted in accordance with the laws in the province of Ontario, Canada. The parties consent to the exclusive jurisdiction of the Federal and Provincial Courts sitting in the province of Ontario to resolve any disputes arising under or relating to this Agreement.
18. This Agreement will be binding upon and enure to the benefit of the parties and their respective successors and permitted assigns. The Supplier may not assign this Agreement or any of its rights or obligations hereunder, or delegate the performance thereof to a third party, without the prior written consent of Clover Tool, which consent may be arbitrarily withheld, and any attempt to assign this Agreement without such consent shall be void and of no effect.



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19. Each party agrees to comply with all applicable laws and regulations with regards to information exchanged under this Agreement, and each party shall not knowingly cause the other party to violate any law or regulation including any Canada, US, European, or other applicable laws controlling exports to controlled, embargoed, or otherwise restricted designations, organizations, and individuals.
20. Parties shall cause all affiliates to comply with this Agreement and any judgments thereto as if such affiliates are explicit parties hereto.
21. This Agreement may be executed simultaneously in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement by their authorized legal representatives as of the Effective Date.

[Supplier]

**Clover Tool Manufacturing Ltd.
Representative**

By: _____

Title: _____

Date: _____

By: _____

Title: _____

Date: _____