

DATED MARCH 2014

(1) ACTION STORAGE SYSTEMS LIMITED

(2) ADOLCIT S.A.

(3) RIVAL DIVISION PRFV

NON-DISCLOSURE AGREEMENT

Non Disclosure Agreement

THIS AGREEMENT is made the day of 2014

BETWEEN:

- (1) **Action Storage Systems Limited** a company incorporated in England under number **02005856** whose registered office is at **6 Fitzhamon Court , Wolverton Mill South, Milton Keynes MK12 6LB** ("the First Party") and
- (2) **Adolcit S.A.** a company incorporated the Republic of Ecuador under number **0992586028001** whose registered office is Cdla Kennedy Norte, Luis Orantia y Victor Hugo, Escala (esq). Condo. Bethania. MZ 808-Solar8. DPTO. 3a. Ecuador ("the Second Party") and
- (3) **Plásticos Rival C.A. Ltda.**
~~Rival Division PRFV~~ a company incorporated in the Republic of Ecuador under number **0190050033001** whose registered office is at Lot. Galavsa Via Perimetral, Kilometer 26, Guayaquil , Ecuador. ("the Third Party")

WHEREAS:

- (1) The First Party wishes to disclose certain information to the Second Party and Third Party for the Stated Purposes defined in Schedule 2 to this Agreement which it wishes to keep confidential and wishes to prevent the Second Party and Third Party from further disclosing to third parties.
- (2) Further to the First Party's disclosure, the Second Party will be required to disclose certain information to the First Party for the Stated Purposes defined in Schedule 2 to this Agreement which it wishes to keep confidential and wishes to prevent the First Party from further disclosing to third parties.
- (3) Further to the First Party's disclosure, the Third Party will be required to disclose certain information to the First Party for the Stated Purposes defined in Schedule 2 to this Agreement which it wishes to keep confidential and wishes to prevent the First Party from further disclosing to external parties
- (2) All Parties hereby agree to keep confidential the information set out in Schedule 1 to this Agreement (and any further information designated as confidential by any other Party) subject to, and in accordance with, the terms and conditions of this Agreement.

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IT IS AGREED as follows:

1. Definitions and Interpretation

- 1.1 In this Agreement, unless the context otherwise requires, the following expressions have the following meanings:

Confidential Information

means the information set out in Schedule 1 and any further information designated by the Parties as confidential;

means any Party to this Agreement which discloses Confidential Information to another Party;

means (a) any and all rights in any patents, trade marks, service marks, registered designs, applications (and rights to apply for any of those rights) trade, business and company names, internet domain names and e-mail addresses, unregistered trade marks and service marks, copyrights, database rights, know-how, rights in designs and inventions;

(b) rights under licences, consents, orders, statutes or otherwise in relation to a right in paragraph (a);

(c) rights of the same or similar effect or nature as or to those in paragraphs (a) and (b) which now or in the future may subsist; and

(d) the right to sue for past infringements of any of the foregoing rights; and

means any Party to this Agreement which receives Confidential Information from another Party;

Stated Purposes

means the purposes for which the Parties may use the Confidential Information as described in Schedule 2.

- 1.2 Unless the context otherwise requires, each reference in this Agreement to:
- 1.2.1 "writing", and any cognate expression, includes a reference to any communication effected by electronic or facsimile transmission or similar means;
 - 1.2.2 "this Agreement" is a reference to this Agreement and each of the Schedules as amended or supplemented at the relevant time;
 - 1.2.3 a Schedule is a schedule to this Agreement;
 - 1.2.4 a Clause or paragraph is a reference to a Clause of this Agreement (other than the Schedules) or a paragraph of the relevant Schedule; and
 - 1.2.5 a "Party" or the "Parties" refer to the parties to this Agreement.
- 1.3 The headings used in this Agreement are for convenience only and shall have no effect upon the interpretation of this Agreement.
- 1.4 Words imparting the singular number shall include the plural and vice versa.
- 1.5 References to any gender shall include the other gender.
- 1.6 References to persons shall include corporations.

2. Disclosure, Infringement and Non Solicitation

- 2.1 The Confidential Information to be disclosed by the Parties to one another following the execution of this Agreement contains and incorporates confidential information in which each respective Party has an interest.
- 2.2 The Receiving Party shall, subject to the provisions of Clause 6, at all times maintain as confidential and shall not use any part or the whole of the Confidential Information directly or indirectly for any purposes other than the Stated Purposes without the prior written consent of the Disclosing Party.
- 2.3 The Parties shall keep the existence of this Agreement confidential and shall not disclose to any other person or organisation which is not a party to this Agreement the fact that the Confidential Information has been disclosed, nor that discussions and negotiations are taking place or have taken place relating to the Stated Purposes.
- 2.4 No Party shall make any unauthorised copies or records of the Confidential Information belonging to any other Party or publish Confidential Information or any part of it without the prior written consent of the affected Party.
- 2.5 Each Party shall keep all Confidential Information belonging to any other Party in proper and secure storage and shall afford to all such Confidential Information no less a degree of protection than that which they afford to their own Confidential Information.
- 2.6 No Party shall adopt or use any name, mark, device, design, corporate name, trading name, title or other commercial designation of any other Party nor use any of the aforementioned which so resembles any name, mark, device, design, corporate name, trading name, title or other commercial designation belonging to or used by the other Party as to be likely to cause confusion or deception in the minds of the public, without their prior written consent.
- 2.7 No Party shall knowingly undertake any activity which will damage or is likely to damage any other Party's brands' reputation or standing.
- 2.8 No Party shall make use of any Confidential Information belonging to any other Party to directly contact or attempt to contact any of their customers, distributors or competitors at any time during the term of this Agreement.
- 2.9 Any Party upon becoming aware of any breach of the terms and undertakings given in this Agreement shall inform the affected Party in writing immediately.
- 2.10 No Party shall employ or attempt to employ, nor enter into any contract for the services of any person who was or is an employee, consultant, agent, sub-contractor, distributor or professional advisor of any other Party prior to or following conclusion of this Agreement, whether or not that person would commit any breach of contract with any other Party.
- 2.11 Following the conclusion of the Stated Purposes or otherwise upon demand by the Disclosing Party, the Receiving Party shall return all Confidential Information forthwith to the Disclosing Party and shall further provide a certificate to the Disclosing Party certifying that no copies of the Confidential Information have been made or retained.

3. Employee Undertakings

- 3.1 Each Party shall obtain from any and all of its employees to whom any of the other Party's Confidential Information or any part of it is to be disclosed or to whom the Confidential Information may be accessible, enforceable undertakings which are binding upon those employees to the same extent as this Agreement is binding upon the Receiving Party as shown in Schedule 3.
- 3.2 No Party shall disclose any Confidential Information until any and all undertakings as described in sub-Clause 3.1 have been obtained by all Parties.

4. External Party Disclosure and Undertakings

- 4.1 In the event that a Disclosing Party requires or otherwise engages the services of an external party who is not an employee and that external party reasonably requires access to Confidential Information belonging to it or any other Party, in accordance with the Stated Purposes, the Disclosing Party must not disclose the Confidential Information or any part of it to the external party:
 - 4.1.1 without the express written consent of any affected Party; and
 - 4.1.2 without first obtaining an enforceable undertaking from the external party which is binding upon that external party to the same extent as this Agreement is binding upon the Disclosing Party allowing access the format of which is to be approved in writing by the First Party.
- 4.2 Any Party referred to in sub-Clause 4.1.1 shall not be required to give consent without evidence of the external party undertaking set out in sub-Clause 4.12.

5. Proprietary Rights

The Confidential Information and all Intellectual Property Rights subsisting therein shall remain the property of the relevant Party and the disclosure of the Confidential Information shall not confer upon the any other Party any rights whatsoever in any part of the Confidential Information.

6. Exceptions to Non-Disclosure and Confidentiality

The obligations of confidentiality set out in this Agreement shall not apply to any information :

- 6.1 is already known to, or in the possession of any Receiving Party at the time of its disclosure by the Disclosing Party, and the Receiving Party is free of any obligations of confidentiality with respect to the same;
- 6.2 is, or becomes through no wrongful act or default of the Receiving Party, public knowledge;
- 6.3 is received from any external party free of any similar obligations of confidentiality, provided such receipt is not of itself a breach of this Agreement
- 6.4 is already in the possession of the Receiving Party having been independently developed by the Receiving Party;
- 6.5 is disclosed to a external party by the Disclosing Party free of any similar obligations of confidentiality; or

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6.6 is approved for disclosure in writing by the Disclosing Party.

7. Term and Termination

- 7.1 The obligations of Non-Disclosure set forth in this Agreement shall apply for a from the date of this Agreement until 5 years after termination of this Agreement.
- 7.2 Any Party may immediately terminate this Agreement by giving written notice to any other Party if:
 - 7.2.1 that Party commits any breach of the provisions of this Agreement;
 - 7.2.2 an encumbrancer takes possession, or where that Party is a company, a receiver is appointed, of any of the property or assets of that Party;
 - 7.2.3 that Party makes any voluntary arrangement with its creditors or, being a company, becomes subject to an administration order or equivalent;
 - 7.2.4 that Party, being an individual or firm, has a bankruptcy order made against it or, being a company, goes into liquidation (except for the purposes of bona fide amalgamation or re-construction and in such a manner that the company resulting therefrom effectively agrees to be bound by or assume the obligations imposed on that Party under this Agreement);
 - 7.2.5 anything analogous to any of the foregoing under the law of any jurisdiction occurs in relation to that Party;
 - 7.2.6 that Party ceases, or threatens to cease, to carry on business; or
 - 7.2.7 control of that Party is acquired by any person or connected persons not having control of that other Party on the date of this Agreement.

8. Effects of Termination

Upon the termination of this Agreement for any reason:

- 8.1 all Clauses which, either expressly or by their nature, relate to the period after the expiry or termination of this Agreement shall remain in full force and effect;
- 8.2 termination shall not affect or prejudice any right to damages or other remedy which the terminating Party may have in respect of the event giving rise to the termination or any other right to damages or other remedy which any Party may have in respect of any breach of this Agreement which existed at or before the date of termination;
- 8.3 subject as provided in this Clause 8 and except in respect of any accrued rights no Party shall be under any further obligation to any other; and
- 8.4 all Parties shall immediately cease to use, either directly or indirectly, any and all Confidential Information, and shall immediately return to the other Party any and all documents in their possession or control which contain or record any Confidential Information.

9. Enforcement and Indemnity

- 9.1 All Parties hereby acknowledge that damages alone would not constitute an adequate remedy for any breach by any Receiving Party of this Agreement.
- 9.2 Each Party shall, without prejudice to any and all other rights and remedies which may be available, be entitled to the remedies of injunction, specific performance and other equitable relief for any breach of this Agreement by any other Party,

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actual or threatened.

- 9.3 In addition to any remedies whether at law or in equity to which a Party may be entitled, each other Party hereby agrees to indemnify the First Party for any and all direct losses, direct which may arise out of its own breach of this Agreement.

10. **Limitation of Liability**

No Party, nor any of their respective employees, officers, agents, subsidiaries or any other external parties associated therewith accepts any responsibility or liability for, or makes any representation or warranty, express or implied, that the Confidential Information disclosed by either Party is accurate or complete.

11. **Non-Assignment of Agreement**

No Party may assign, transfer, sub-contract, or in any other manner make over to any third party the benefit and/or burden of this Agreement without the prior written consent of the other Parties, such consent not to be unreasonably withheld.

12. **Communication**

- 12.1 All notices under this Agreement shall be in writing and be deemed duly given if signed by the Party giving the notice or by a duly authorised officer thereof, as appropriate.

- 12.2 Notices shall be deemed to have been duly given:

12.2.1 when delivered, if delivered by courier or other messenger (including registered mail) during the normal business hours of the recipient; or

12.2.2 when sent, if transmitted by facsimile or e-mail and a successful transmission report or return receipt is generated; or

12.2.3 on the tenth business day following mailing, if mailed by airmail, postage prepaid.

- 12.3 All notices under this Agreement shall be addressed to a Party's registered address, or e-mail address, or facsimile number notified to the other Parties.

13. **Force Majeure**

No Party to this Agreement shall be liable for any failure or delay in performing their obligations where such failure or delay results from any cause that is beyond the reasonable control of that Party. Such causes include, but are not limited to: power failure, Internet Service Provider failure, industrial action, civil unrest, fire, flood, storms, earthquakes, acts of terrorism, acts of war, governmental action or any other event that is beyond the control of the Party in question.

14. **Further Assurance**

Each Party shall execute and do all such further deeds, documents and things as may be necessary to carry the provisions of this Agreement into full force and effect.

15. **Costs**

Subject to any provisions to the contrary each Party to this Agreement shall pay its own costs of and incidental to the negotiation, preparation, execution and carrying into effect of this Agreement.

16. **Relationship of the Parties**

Nothing in this Agreement shall constitute or be deemed to constitute a partnership, joint venture, agency or other fiduciary relationship between the Parties other than the contractual relationship expressly provided for in this Agreement.

17. **External Party Rights**

- 17.1 No part of this Agreement is intended to confer rights on any external parties.
- 17.2 Subject to this Clause 17 this Agreement shall continue and be binding on the transferee, successors and assigns of any Party as required.

18. **Entire Agreement**

This Agreement contains the entire agreement between the Parties with respect to its subject matter and may not be modified except by an instrument in writing signed by the duly authorised representatives of the Parties.

19. **Severance**

The Parties agree that, in the event that one or more of the provisions of this Agreement is found to be unlawful, invalid or otherwise unenforceable, that / those provisions shall be deemed severed from the remainder of this Agreement. The remainder of this Agreement shall be valid and enforceable.

20. **Dispute Resolution**

- 20.1 The Parties shall attempt to resolve any dispute arising out of or relating to this
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21.2 Subject to the provisions of Clause 20, any dispute, controversy, proceedings or claim between the Parties relating to this Agreement (including any non-contractual matters and obligations arising therefrom or associated therewith) shall fall within the jurisdiction of the courts of the USA.

IN WITNESS WHEREOF this Agreement has been duly executed the day and year first before written each party's duly authorised legal representative.

SIGNED by)
Thomas Brialey)
Director)
For and on behalf of)
Action Storage Systems Limited)

In the presence of

Name of Witness:

Occupation:

Address:

[Signature]
[Signature]
TERRY CHANDLER
JRS AS CONSULTANT
PLANNING UNIT 12 TRLW
C2306 - BUCKINGHAM

SIGNED by)
Nelson Ramos Labra)
President)
For and on behalf of)
Adolcit S.A.)

In the presence of

Name of Witness:

Occupation:

Address:

[Signature]
[Signature]
TERRY CHANDLER
JRS AS CONSULTANT
PLANNING UNIT 12 TRLW
C2306 - BUCKINGHAM

SIGNED by)
Ing. Jose Roman O)
For and on behalf of)
~~River Division PRFV~~ *Plásticos Rival C. Ltda.*)
In the presence of)
Signed)

Name of Witness:

Occupation:

Address:

[Signature]
[Signature]
TERRY CHANDLER
JRS AS CONSULTANT
PLANNING UNIT 12 TRLW
C2306 - BUCKINGHAM

SCHEDULE 1

Confidential Information

The Parties agree that Confidential Information includes but is not limited to:

- Technical Information relating to the Product and its production, including but not limited to: type of tools used in the production, all know-how, experience, drawings, designs, materials and product specifications, data, documents, processes, formulae, parts, accessories, models and all other technical information relating to the product design, structure, tools design and structure; materials and manufacturing process for the finished product, in whatever format it may be held;
- Commercial Information relating to any Party and any affiliate, the Product (finished product and component parts), including but not limited to know-how affecting costing and pricing structures, marketing, sales and distribution and any related information about any Party's customers and distributors;
- Business Information including but not limited to Action Storage Systems domestic and international business plans
- Intellectual Property Rights in the Product and any other brand owned by Action Storage Systems Limited as defined in the Agreement
- Any other information disclosed by any Party marked as "Confidential" and/or given to either of the other Parties in confidence

whether delivered orally or by written reports, drawings, files, computer files and documents, letters, faxes, memoranda, agreements, emails, SMS and any other electronic form of communication.

SCHEDULE 2

The Stated Purposes

The First Party is a retailer and distributor of storage equipment and is the proprietor of the eXtreme Plastic Locker® ("the Product"), and related:

- registered trademark;
- Intellectual Property Rights
- Technical Information ie. all know-how, experience, drawings, designs, data, documents, processes, formulae, parts, accessories, models and all other technical information relating to the product design, structure, tools design and structure; and manufacturing process for the finished product, in whatever format it
- Commercial Information ie. knowledge and know-how affecting costing and pricing structures, marketing, sales and distribution and customer databases and distribution networks.

The Second Party and the Third Party are manufacturer's of rota-moulded products.

The parties wish to enter into discussions which would :

- Explore the possibility of the First Party granting the Second Party permission to acquire the requisite tooling and moulds to manufacture and market the Product under license ("the License") in the Republic of Ecuador;
- Enable the First Party and Second Party to negotiate and agree upon the detailed terms of the License governing the manufacture, marketing and distribution of the Product ;
- Enable the Second Party to employ and use the services and expertise of the Third Party to manufacture the Product in accordance with the terms of proposed License.

To further the purposes set out above the Parties each acknowledge that it will be necessary or desirable for them to disclose Confidential Information belonging to them.

The Parties desire to regulate how any such Confidential Information disclosed is to be treated by the Receiving Party so as to protect the legitimate business interests of the all Parties, whether or not the Parties conclude the License.