



Non-Disclosure Agreement

THIS NON-DISCLOSURE AGREEMENT (the "Agreement"), made and entered into this

_____ day of _____, 20__,

is by and between

Compliance InSight Consulting Inc., a Canadian Corporation, with head office located at
145 Deer Ridge Drive, Kitchener, Ontario N2P 2K9 (hereinafter "CIC"), and

with offices located at

(hereinafter "Second Party").

In connection with the consideration by CIC and Second Party (CIC and Second Party, each a "Party" and, collectively, the "Parties") of a possible transaction between the Parties (the "Transaction"), the Parties may furnish to one another certain non-public information about each Party's business and operations, including information concerning infrastructure, designs, technical information and software. Such information, written or oral, together with analyses, compilations, studies or other documents prepared by either Party or its affiliates, officers, directors, employees, agents or representatives (collectively, the "Representatives") that contain or otherwise reflect such information, shall be referred to as "Confidential Information". In consideration of each Party being provided with the Confidential Information of the other Party and being offered the opportunity to evaluate a possible Transaction with the other Party, the Parties agree as follows:

1. The Confidential Information of each Party disclosed by such Party to the other Party shall be kept confidential by the other Party and shall not be disclosed, in whole or in part, by the other Party to any person other than the Representatives of the other Party who need to know the Confidential Information for the purpose of evaluating the proposed Transaction. Each Party agrees to inform its Representatives of the nonpublic nature of the Confidential Information of the other Party and to direct them to treat such Confidential Information in accordance with the terms of this Agreement. Each Party shall not use or allow the use of the Confidential Information of the other Party for any purpose except to evaluate the pro-



posed Transaction. Each Party shall be responsible for any breach of the terms of this Agreement by its Representatives. The Confidential Information of each Party shall be returned to the furnishing Party immediately upon request.

2. Except as otherwise required by law, each Party and its respective Representatives shall not disclose to any person (i) that the Parties have exchanged Confidential Information, (ii) that discussions or negotiations are taking place concerning a possible Transaction between the Parties, or (iii) any of the terms, conditions or other facts with respect to any possible Transaction, including the status thereof, without the prior consent of the other Party.
3. In the event a Party or any person to whom it transmits the Confidential Information is requested or required (by oral questions, interrogatories, requests for information or documents, subpoenas, civil investigative demand or similar process) to disclose any of the Confidential Information of the other Party, the Party subject to such process shall provide the other Party with prompt notice so that the other Party may seek a protective order or other appropriate remedy or waive compliance by the Party subject to such process to the provisions of this Agreement. In the event that such protective order or other remedy is not obtained or the other Party waives compliance with the provisions of this Agreement, the Party subject to such process shall furnish only that portion of the Confidential Information that is legally required and shall exercise commercially reasonable efforts to obtain a protective order or other reliable assurance that confidential treatment shall be accorded the Confidential Information. A Party shall not commence any legal action or proceeding in respect of any unauthorized possession, use or knowledge of the Confidential Information of the other Party without the prior written consent of such other Party.
4. The term "Confidential Information" does not include any information that (i) was publicly available prior to the date of this Agreement or thereafter becomes publicly available without any violation of this Agreement on the part of the Parties or any of their respective Representatives or (ii) was available to a Party on a non-confidential basis prior to its disclosure to such Party or its Representatives or becomes available to a Party from a person, other than the other Party and its Representatives, who is not, to the best of such Party's knowledge, subject to any legally binding obligation to keep such information confidential.
5. Each Party and its Representatives makes no representations or warranties, express or implied, with respect to the Confidential Information of such Party, except for any representations and warranties that may be made by such Party in



any definitive agreement relating to the Transaction. Each Party acknowledges and agrees that neither Party shall have any liability to the other Party nor any of its Representatives resulting from the use of the Confidential Information furnished by a Party or its Representatives. Each Party acknowledges and agrees that the Confidential Information and all copyright and other proprietary rights therein shall remain the property of the Party furnishing such Confidential Information. No Party shall reverse engineer, disassemble or de-compile any prototypes, software or other tangible objects, which embody the other Party's Confidential Information.

6. No failure or delay by a Party in exercising any right, power or privilege under this Agreement shall operate as a waiver thereof or preclude any other or further exercise thereof or the exercise of any other right, power or privilege under this Agreement. Each Party acknowledges and agrees that the other Party would be irreparably injured by a breach of this Agreement and that, in such an event, the Party claiming such breach shall be entitled, in addition to any and all other remedies, to injunctive relief and specific performance.
7. Until a definitive agreement relating to the Transaction is executed, the Parties shall have no obligation to proceed with the Transaction. Each Party may terminate discussions concerning the Transaction with the other Party at any time for any reason.
8. Each Party shall bear its own costs and expenses incurred in connection with the Transaction and this Agreement.
9. This Agreement represents the entire agreement between the Parties with respect to its subject matter and shall be governed by, and construed in accordance with, the laws of Canada and the laws of the Province of Ontario, without regard to the conflicts of law rules of such province.
10. The provisions of Paragraphs 1 through 5 of this Agreement shall survive until two years from the date hereof.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representative as of the date first written above.

Compliance InSight Consulting Inc.

By:



Name:
Douglas Nix, C.E.T.
Title: Managing Director
Date:

Second Party:

By:

Name:
Title:
Date: