

MUTUAL NONDISCLOSURE AGREEMENT

This Nondisclosure Agreement (this “**Agreement**”), effective as of the ____ day of _____ 2012, is entered into by and between Derrick Schutz and Andrés Sosa, individuals, located at 18 E. Siena Drive, Pleasant Grove, Utah 84062 (“**Individuals**” or “**Innovative Protection**”), and John Reese, a Utah (State) corporation/individual, located at 69 East Hanover Dr.; Orem UT 84058 (Address) (“**Investor**”).

RECITALS

1. Innovative Protection and Investor each have confidential technical and business information, trade secrets, and know-how.
2. Innovative Protection and Investor are desirous of receiving some or all of the Confidential Information (as defined below) in order to evaluate each other’s businesses to determine whether to enter into a mutual arrangement.
3. Innovative Protection and Investor are willing to disclose their Confidential Information to each other for these purposes, subject to the terms of this Agreement.

AGREEMENT

Now, therefore, in consideration of the mutual covenants, representations, warranties, and agreements contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Confidential Disclosure.

1.1 Confidential Information. As used herein, the term “**Confidential Information**” shall mean all information, documentation and devices belonging to Investor or Innovative Protection, or any third party who disclosed such information to Investor or Innovative Protection in confidence, which Investor or Innovative Protection discloses or makes available to the other party in writing or otherwise as a result of or relating to any meetings, discussions or documents concerning ideas, concepts, prices, project descriptions, drawings, specifications, budgets and estimates, financial and accounting information, personnel information, identification of customers and related customer data, plans, inventions, marketing, technical information, software, codes, trade secrets or know-how relating generally to either party’s business or the business of their affiliates. In the event Confidential Information is disclosed by one party to the other by means other than in writing, the disclosing party shall identify such non-written Confidential Information as confidential prior to disclosure and shall summarize the nature of the Confidential Information in a writing identified as “Confidential,” and shall make any such writing available to the receiving party within 30 days of first disclosure of the Confidential Information.

1.2 Disclosure of Information. Upon the execution of this Agreement, each party hereto agrees to disclose to the other certain items of Confidential Information, the form,

quantity, and content of which will be sufficient, in the disclosing party's sole discretion, to carry out the purposes of this Agreement.

1.3 Confidentiality. Innovative Protection and Investor agree to hold any Confidential Information received, and any previously disclosed Confidential Information, in confidence, and not to use the Confidential Information commercially for its own benefit or the benefit of any other person or entity, and not to use the Confidential Information for any purpose not benefiting the other party. If either party desires to disclose any Confidential Information to any persons who have not yet signed this Agreement, such receiving party shall so notify the disclosing party in writing and the disclosing party shall determine, in its sole and absolute discretion, whether the receiving party may disclose the Confidential Information to such additional person(s) and, if so, such additional person(s) shall sign a copy of this Agreement before any disclosure may be made to such person(s). The foregoing obligation shall not apply to disclosure to employees, consultants, and/or agents of the receiving party who are otherwise bound by the terms of this Agreement as a result of their relationship to the receiving party; provided, however, that release, access, or use of Confidential Information shall be restricted to those officers, employees, consultants, and/or agents of the receiving party who are advised that such Confidential Information was received under the receiving party's commitment of confidentiality and who have a need to know the Confidential Information in order to permit the receiving party, in good faith, to make the determination whether to enter into a business relationship with the disclosing party.

1.4 Non-Applicability. The obligations of confidentiality and non-disclosure shall not apply to information that is (i) in the public domain at the time of disclosure or comes into the public domain after disclosure through no violation of this Agreement, (ii) lawfully available to the receiving party prior to any disclosure from the disclosing party, (iii) independently developed by the receiving party, (iv) made available by the disclosing party to a third party on an unrestricted basis, or (v) released pursuant to the binding order of a government agency or a court.

1.5 Return of Information. Upon completion of the review of the Confidential Information by the parties, all Confidential Information and any copies or other reproductions made thereof by the receiving party shall be returned to the disclosing party, with the exception that one copy may be retained in the files of the receiving party's counsel.

1.6 Standard of Care. The receiving party shall use the same degree of care to protect the confidentiality of the Confidential Information disclosed to it as it uses to protect its own Confidential Information, but in all events shall use at least a reasonable degree of care.

2. Obligations.

2.1 No Obligation to Contract. No disclosure of Confidential Information and no obligation hereunder shall be construed to obligate either of the parties to: (i) enter into any further agreement or negotiation with or make any further disclosure to the other party hereto, (ii) refrain from entering into any agreement or negotiation with any third person regarding the same subject matter, or (iii) refrain from pursuing its business in whatever manner it elects; provided, however, that in connection with pursuing efforts under subparagraphs (ii) and (iii), the receiving party does not violate any of the provisions of this Agreement.

2.2 No Public Announcement. No public announcement may be made by either party concerning this Agreement or the related discussions without the prior written approval of the other party, which it may grant or withhold in its sole discretion.

2.3 No License. Nothing in this Agreement shall be construed as granting any rights to either party under any patent or copyright of the other party, nor shall this Agreement be construed to grant either party any rights in or to the other party's Confidential Information, except the limited right to review such Confidential Information solely for the purposes set forth in this Agreement.

3. No Third Party Beneficiaries. The provisions of this Agreement are for the benefit only of the parties hereto, and no third party may seek to enforce, or shall benefit from, these provisions.

4. General Provisions.

4.1 Severability. If any provision of this Agreement or the application of such provision to any person or circumstance shall be held invalid, void, or unenforceable, the remainder of the Agreement, or the application of such provision to persons or circumstances other than those as to which it is held invalid, void, or unenforceable shall not be affected.

4.2 Notices. Any notice required or permitted hereunder to be given by either party hereto shall be in writing and shall be delivered personally or sent by certified or registered mail, postage prepaid, or by private courier, or by facsimile or electronic mail to the other party. A notice delivered personally shall be effective upon receipt. A notice sent by facsimile or electronic mail shall be effective 24 hours after the dispatch thereof. A notice delivered by private courier shall be effective on the day delivered or if delivered by mail, the third business day after the day of mailing.

4.3 Legal Action. In the event that any legal action becomes necessary to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled, in addition to its court costs, to such reasonable attorneys' fees and expenses as shall be fixed by a court of competent jurisdiction. Additionally, because damages may be difficult to determine, the parties hereto acknowledge that the receiving party's unauthorized use or disclosure of the disclosing party's Confidential Information would cause irreparable harm to the disclosing party. Accordingly, the parties hereto agree that the disclosing party shall have the right to obtain an immediate injunction against any breach or threatened breach of this Agreement, without the necessity of proving damages or posting a bond or other security, as well as the right to pursue any and all other rights and remedies available at law or in equity for such a breach.

4.4 Authority. Each signatory to this Agreement represents and warrants that he has full corporate or other requisite authority to bind the entity for which he is signing.

4.5 Binding. This Agreement will be binding upon each party's heirs, assigns, executors, administrators, or other legal representatives.

4.6 Assignment. This Agreement, and any rights and obligations hereunder, may not be assigned by any party hereto without the prior written consent of the other party, except that either party may assign this Agreement (i) to any of its subsidiaries or affiliates or (ii) to a third party that acquires all or any portion of such party's business or assets, whether by sale, merger, recapitalization, reorganization, or otherwise, without the other party's consent.

4.7 Entire Agreement. This Agreement contains the entire understanding between Investor and Innovative Protection with respect to the subject matter hereof and there are no representations, warranties, promises, or undertakings other than those contained in the provisions above.

4.8 Waiver; Modification. No waiver or modification of any of the terms or provisions of this Agreement shall be valid unless contained in writing and signed by Investor and Innovative Protection.

4.9 Governing Law. This Agreement is executed as of the date first hereinabove written and shall be governed by and construed pursuant to the laws of Utah, without regard for choice of law principles.

4.10 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

[Remainder of page intentionally left blank; signature page to follow]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective as of the date first set forth above.

INNOVATIVE PROTECTION, LLC

By: _____
Name:
Title:

INVESTOR

By: _____
Name:
Title: