## MUTUAL NON-DISCLOSURE AGREEMENT

This Mutual Non-Disclosure Agreement ("Agreement"), made as of September 8, 2014, is between Kinetek Sports, having a principal business address at 16885 Via Del Campo Court, Suite 207, San Diego, CA 92127-1723, and Scott Carlson, having a principal business address at 5703 Shetland Ct., Oceanside, CA 92057.

WHEREAS, the parties have confidential business and technical information, trade secrets and know-how relating generally to <u>devices to monitor and/or improve athletes' performance</u>.

WHEREAS, the parties contemplate a mutual exchange of confidential information, trade secrets and know-how (hereinafter collectively "Confidential Information") in order to pursue general business objectives;

WHEREAS, each party is willing to disclose its Confidential Information to the other for these purposes, subject to the terms of this Agreement;

WHEREAS, for purposes of this Agreement, with respect to the Confidential Information disclosed by the parties shall be those of "Discloser" and "Recipient," respectively, as designated herein; and

NOW, THEREFORE, in consideration of the above premises and the mutual promises and covenants herein contained, the parties agree as follows:

- 1. Upon execution of this Agreement, Discloser agrees to disclose to Recipient certain items of the Confidential Information, the form, quantity and content of which will be sufficient, in Discloser's sole discretion, to carry out the purposes of this Agreement. In addition to the foregoing, Confidential Information includes, without limitation, the existence of the parties' discussions, technical information, financial statements and other financial data, business and strategic plans, and product and service information. Confidential Information includes information disclosed in any manner, whether orally, visually or in tangible form (including, without limitation, documents, devices and computer readable media) and all copies thereof.
- 2. Except as expressly permitted herein, for a period of five (5) years from the Effective date, each party and its employees shall not disclose the other's Confidential Information. Recipient agrees to hold said Confidential Information, and any previously disclosed Confidential Information, in confidence and not to use the Confidential Information commercially for its own benefit or the benefit of anyone else other than Discloser. Recipient agrees to limit dissemination of and access to the Confidential Information only to persons within Recipient's immediate organization (and not to subsidiary, parent or affiliated entities), and then only to those persons who have a need for access to the Confidential Information for the above-described purposes.
- 3. All reproductions, copies or embodiments, in whole or in part, of the Confidential Information shall carry a confidential, proprietary notice similar to that with which it was submitted to the Recipient. Recipient shall not remove any proprietary rights legend from, and shall, upon Discloser's reasonable request, add any proprietary rights legend to, materials disclosing or embodying Confidential Information. Upon termination of this Agreement, upon demand by Discloser at any time, or upon expiration of the term defined in Paragraph 2 above, Recipient shall return promptly to Discloser or destroy, at Discloser's option, all tangible media that contain Confidential Information.
- 4. It is agreed that the obligations of confidentiality and non-use imposed hereunder will apply to all Confidential Information disclosed by Discloser to Recipient (whether or not such Confidential Information is obtained by Recipient after the Effective Date of this Agreement from other sources, including without limitation from third parties or through reverse engineering or independent derivation), except the following:

- a. Information which Recipient reasonably demonstrates by presently existing written documentation is a part of the public domain as of the Effective Date of this Agreement and is not otherwise a protectable trade secret;
- b. Information which has come into the possession of Recipient without confidentiality restrictions from a third party and such third party is under no obligation to Discloser to maintain the confidentiality of such information;
- c. Information which Recipient reasonably demonstrates was already known to Recipient as of the Effective Date of this Agreement, as evidenced by presently existing written documentation; or
- d. Any disclosure required by applicable law (e.g. pursuant to applicable securities laws or legal process).

If a particular portion or aspect of Confidential Information becomes subject to any of the foregoing exceptions, all other portions or aspects of such Confidential Information shall remain subject to all of the provisions of this Agreement.

- 5. In the event that Recipient is ordered to disclose Discloser's Confidential Information pursuant to applicable law, Recipient shall promptly notify Discloser and take reasonable steps to protect Discloser's rights prior to disclosure.
- 6. Discloser understands that Recipient develops and acquires technology for its own products, and that existing or planned technology independently developed or acquired by Recipient may contain ideas and concepts similar or identical to those contained in Discloser's Confidential Information. Discloser agrees that entering this Agreement shall not preclude Recipient from developing or acquiring technology similar to Discloser's, without obligation to Discloser, provided Recipient does not use the Confidential Information to develop or acquire such technology.
- 7. In providing the Confidential Information to Recipient under this Agreement, Recipient acknowledges that Confidential Information may still be under development, or may be incomplete, and that such Confidential Information may relate to products that are under development or are planned for development. DISCLOSER MAKES NO WARRANTIES EXPRESS OR IMPLIED, REGARDING THE ACCURACY OF THE CONFIDENTIAL INFORMATION. Discloser makes no representation or warranty, either express or implied, as to its adequacy, sufficiency or freedom from defect of any kinds, including freedom from any patent or trade secret infringement that may result from Recipient's use of such Confidential Information. Discloser accepts no responsibility for any expenses, losses or action incurred or undertaken by Recipient as a result of Recipient's receipt or use of Confidential Information. DISCLOSER MAKES NO WARRANTIES OR REPRESENTATIONS THAT IT WILL INTRODUCE ANY PRODUCT RELATING TO THE CONFIDENTIAL INFORMATION.
- 8. Neither party has any obligation under or by virtue of this Agreement to purchase from or furnish to the other party any products or services, or to enter into any other agreement, including but not limited to, an investment, development, purchasing or technology licensing agreement.
- 9. Other than as expressly specified herein, Discloser grants no license to Recipient under any copyrights, patents, trademarks, trade secrets or other proprietary rights to use or reproduce Confidential Information.
- 10. Unless earlier terminated in accordance with the provisions hereof, this Agreement shall remain in full force and effect for the duration of the Non-Disclosure Period, whereupon it shall expire. Either party may terminate this Agreement at any time, without cause, effective immediately upon written notice of termination. In the event this Agreement is terminated, its provisions shall survive, for the Non-Disclosure

Period, with respect to Confidential Information disclosed prior to the effective date of termination. Any causes of action accrued on or before such expiration or termination shall survive until the expiration of the applicable statute of limitations.

- 11. This Agreement shall be governed and construed in accordance with the laws of the State of California, U.S.A., and the parties agree that it is executed and delivered in that state. In the event any legal action becomes necessary to enforce or interpret the terms of this Agreement, the parties agree that such action will be brought in the state or federal courts of San Diego county, and the parties hereby submit to the jurisdiction of said courts.
- 12. 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, expert witness fees and legal expenses as may be fixed by a court of competent jurisdiction.
- 13. This Agreement contains the entire understanding and agreement of the parties with respect to the subject matter hereof, and there are no representations, warranties promises or undertakings other than those contained herein. As to the subject matter hereof, this Agreement supersedes and cancels all previously agreements between the parties hereto. No course of conduct or dealing between the parties shall act as a modification or waiver of any provision of this Agreement, and only a modification or waiver which is contained in a single writing signed by both parties shall be effective.
- 14. If any provision of this Agreement should be held to be void or unenforceable, in whole or in part, such provision or part thereof shall be treated as severable, leaving valid the remainder of this Agreement.

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be executed as of the Effective Date by its duly authorized representative.

**Kinetek Sports** 

| Dated: September 9, 2014 | By: John In . Stensty              |
|--------------------------|------------------------------------|
|                          | Printed Name: Patrick M. Steusloff |
|                          | Title: <u>CEO</u>                  |
|                          |                                    |
|                          |                                    |
| Dated:                   | Ву:                                |
|                          | Printed Name: Scott Carlson        |
|                          | As an Individual                   |