VECTRA NETWORKS, INC.

MUTUAL NONDISCLOSURE AGREEMENT

Each undersigned party for itself and on behalf of its controlled Affiliates (collectively, the "Receiving Party") understands that the other party and/or its controlled Affiliates (collectively, the "Disclosing Party") has disclosed or may disclose information relating to the Disclosing Party's business (including, without limitation, computer programs, technical drawings, algorithms, know-how, formulas, processes, ideas, inventions (whether patentable or not), schematics and other technical, business, financial, customer and product development plans, forecasts, strategies and information), which to the extent previously, presently or subsequently disclosed to the Receiving Party is hereinafter referred to as "Proprietary Information" of the Disclosing Party. Proprietary Information shall also include information from third parties. The parties agree that the Receiving Party may disclose Proprietary Information to its controlled Affiliates, provided that the Receiving Party remains responsible for its controlled Affiliates' compliance with this Agreement. "Affiliate" means an entity that controls, is controlled by, or is under common control with a party to this Agreement.

In consideration of the parties' discussions and any access of the Receiving Party to Proprietary Information of the Disclosing Party, the Receiving Party hereby agrees as follows:

- The Receiving Party agrees (i) to hold the Disclosing Party's Proprietary Information in confidence and to take reasonable precautions to protect such Proprietary Information (including, without limitation, all precautions the Receiving Party employs with respect to its confidential materials), (ii) not to divulge any such Proprietary Information or any information derived therefrom to any third person (other than to a controlled Affiliate) or a party's Representatives (as defined below), (iii) not to make any use whatsoever at any time of such Proprietary Information except to evaluate internally its relationship with the Disclosing Party, (iv) not to copy or reverse engineer any such Proprietary Information and (v) not to export or reexport (within the meaning of U.S. or other export control laws or regulations) any such Proprietary Information or product thereof. The Receiving Party shall promptly notify the Disclosing Party of any unauthorized use or disclosure, or suspected unauthorized use or disclosure, of the Disclosing Party's Proprietary Information of which Receiving Party becomes aware. Without granting any right or license, the Disclosing Party agrees that the foregoing shall not apply with respect to any information after five years following the disclosure thereof or any information that the Receiving Party can document (i) is or becomes (through no improper action or inaction by the Receiving Party or any Affiliate or Representative) generally available to the public, or (ii) was in its possession or known by it without restriction prior to receipt from the Disclosing Party, or (iii) was rightfully disclosed to it by a third party without restriction, or (iv) was independently developed without use of any Proprietary Information of the Disclosing Party by employees of the Receiving Party who have had no access to such information. The Receiving Party may make disclosures required by law or court order provided the Receiving Party uses diligent reasonable efforts to limit disclosure as much as po
- 2. "Representatives" means a party's officers, directors, employees, consultants, legal, tax and accounting advisors who have a need to know such Proprietary Information to evaluate whether to proceed with a transaction.
- 3. The Receiving Party assumes full responsibility for any breach of this Agreement by its Representatives.
- 4. The parties to this Agreement shall not, and shall instruct their respective Affiliates and Representatives not to, disclose to any person the fact that the parties hereto are having discussions or that Proprietary Information has been made available.
- 5. ALL CONFIDENTIAL INFORMATION IS PROVIDED "AS IS." NEITHER PARTY MAKES ANY WARRANTIES, EXPRESS, IMPLIED OR OTHERWISE, REGARDING THE ACCURACY, COMPLETENESS OR PERFORMANCE OF ANY CONFIDENTIAL INFORMATION, OR WITH RESPECT TO NON-INFRINGEMENT OR OTHER VIOLATION OF ANY INTELLECTUAL PROPERTY RIGHTS OF A THIRD PARTY OR OF RECEIVING PARTY.
- 6. Immediately upon a written request by the Disclosing Party at any time, the Receiving Party will destroy or turn over to the Disclosing Party all Proprietary Information of the Disclosing Party and all documents or media containing any such Proprietary Information and any and all copies or extracts thereof. The Receiving Party understands that nothing herein (i) requires the disclosure of any Proprietary Information of the Disclosing Party or (ii) requires the Disclosing Party to proceed with any transaction or relationship.
- The Receiving Party acknowledges and agrees that due to the unique nature of the Disclosing Party's Proprietary Information, there can be no adequate remedy at law for any breach of its obligations hereunder, which breach may result in irreparable harm to the Disclosing Party, and therefore, that upon any such breach or any threat thereof, the Disclosing Party shall be entitled to appropriate equitable relief in addition to whatever remedies it might have at law. In the event that any of the provisions of this Agreement shall be held by a court or other tribunal of competent jurisdiction to be illegal, invalid or unenforceable, such provisions shall be limited or eliminated to the minimum extent necessary so that this Agreement shall otherwise remain in full force and effect. This Agreement shall bind and inure to the benefit of the parties and their respective successors and permitted assigns. Neither party may assign or otherwise transfer this Agreement without the prior written consent of the other party; except that either party may assign this Agreement without consent in connection with a merger, reorganization, consolidation, change of control, or sale of all or substantially all of the assets to which this Agreement pertains; provided that the assigning party provides prompt written notice to the other party of any such permitted assignment. Any assignment or transfer of this Agreement in violation of the foregoing shall be null and void. This Agreement shall be governed by the law of the State of California without regard to the conflicts of law provisions thereof. This Agreement supersedes all prior discussions and writings and constitutes the entire agreement between the parties with respect to the subject matter hereof. The prevailing party in any action to enforce this Agreement shall be entitled to costs and attorneys' fees. No waiver or modification of this Agreement will be binding upon a party unless made in writing and signed by a duly authorized representative of such party and no failure or delay in enforcing any right will be deemed a waiver. The parties may execute this Agreement in counterparts, each of which shall be deemed an original, but all of which together constitute one and the same agreement. This Agreement may be delivered by facsimile transmission, and facsimile copies of executed signature pages shall be binding as originals. All disputes arising out of this Agreement will be subject to the exclusive jurisdiction and venue of the state courts located in Santa Clara County, California and the federal courts located in the Northern District of California, and each party hereby consents to the personal jurisdiction thereof.

Vectra Networks, Inc. 560 South Winchester Boulevard, Suite 200 San Jose, California 95128	Company Name:Address:
By: (Signature)	By: (Signature)
Name:	Name: