**CONFIDENTIALITY AGREEMENT**

*BETWEEN:*

**VALEO plants,**organized and existing under the laws of Czech Republic, the registered office of:

**Valeo Compressor Europe s.r.o.,** having its the registered office **Central Trade Park 1571, Humpolec 396 01**, registered at the Trade and Companies Register of **C 11108 Regional Court in** **České Budějovice** under the number **26504685**

**VALEO VÝMĚNÍKY TEPLA s.r.o.,** having its the registered office **Skandinávská 992, Žebrák 267 53**, registered at the Trade and Companies Register of **C 243341 Municipal Court in Prague** under the number **26131056**

**VALEO AUTOKLIMATIZACE k.s.**, having its the registered office **Kuštova 2596, Rakovník 269 01**, registered at the Trade and Companies Register of **A 59488** **Municipal Court in** **Prague** under the number **49823001**

Represented by Mr. **Patrik Huňáček, Non Production Purchasing Director**

 Hereinafter referred to as « **VALEO** »,

*ON THE ONE HAND*

*AND:*

**\_\_\_\_\_\_\_\_\_\_\_\_\_** a corporation organized and existing under the laws of \_\_\_\_\_\_\_\_\_\_\_\_ , the registered address of which is \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Represented by Mr. \_\_\_\_\_\_\_\_\_\_\_\_\_

 Hereinafter referred to as « the RECIPIENT»

*ON THE OTHER HAND*

Collectively referred to as the “Parties”

**PREAMBLE**:

WHEREAS VALEO designs and manufactures Components, Integrated systems and Modules for the Automotive Industry, related components and possesses intellectual property rights and know-how relating thereto.

WHEREAS \_\_\_\_\_\_\_\_\_\_\_\_\_designs and manufactures\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ and possesses intellectual property rights and know-how relating thereto.

Whereas within the framework of all new projects and requests for quotation (hereinafter the “Project”), VALEO and RECIPIENT wish to investigate the possibility of working together (hereinafter the “Preliminary Examination”). Should the Parties decide to work together following the period of the Preliminary Examination, this Agreement shall continue to apply to any subsequent works relating to the Project, except otherwise agreed.

WHEREAS within the framework of the Preliminary Examination and/or the Project, VALEO will provide the RECIPIENT with Confidential Information (as hereinafter defined).

NOW THEREFORE, the RECIPIENT agrees to keep confidential the information which may be disclosed in connection with the Preliminary Examination and/or the Project as follows:

**ARTICLE 1: DEFINITIONS**

**1.1** “Confidential Information” means any information, knowledge or data of any nature whatsoever (including but not limited to financial, industrial, technical and commercial information), in whatever form (including but not limited to drawings, diagrams, graphs, descriptions, specifications, software, manuals, formulae, samples), whether protected or not by any intellectual or industrial property right, which is owned or held by VALEO and disclosed by VALEO or a third party duly authorized, by oral or on various media (including but not limited to written, magnetic or electronic mean, telecommunications or computer process) to the RECIPIENT or otherwise obtained by any other means by the RECIPIENT in connection with the Preliminary Examination and/or the Project, if applicable.

Title to the Confidential Information belongs to (i) the Disclosing Party and/or to an Affiliate (as defined hereunder) or entity of the Group it belongs to, or (ii) a third party, which has granted the Disclosing Party the right to disclose the same.

Any information disclosed by VALEO to the RECIPIENT in connection with the Preliminary Examination and/or the Project shall be considered as Confidential Information by the RECIPIENT, including this Agreement and any information transmitted prior to the signature of this Agreement.

**ARTICLE 2: EXCLUSIONS**

The obligations to keep Confidential Information confidential shall not apply to:

a) information, which, is, at the Effective Date (as defined hereunder), or subsequently becomes publicly known through no wrongful act of the RECIPIENT;

b) information rightfully disclosed by a third party without breach of this Agreement and which can be communicated without restriction;

c) information which was already known, prior to the Effective Date, or which was independently developed by the RECIPIENT without the use of Confidential Information, and provided that the RECIPIENT can demonstrate the same;

d) information of which VALEO authorizes in writing the disclosure.

**ARTICLE 3: PRESERVATION AND RESTRICTED USE**

All Confidential Information:

a) shall be safely kept by the RECIPIENT. The RECIPIENT shall protect the Confidential Information with the same degree of care as the RECIPIENT uses with its own confidential information in order to prevent its disclosure, copy and/or its use for other purposes than the Preliminary Examination and/or the Project (but in no event less than reasonable care);

b) shall not be disclosed to a third party without the prior written approval of VALEO, except to public authorities where required by applicable law or regulation, provided the RECIPIENT gives prompt notice of such requirement to VALEO by every appropriate means (including by fax or e-mail) in order to give the opportunity to VALEO to seek, when possible, appropriate remedy before such disclosure;

c) shall be used by the RECIPIENT only for evaluating the Preliminary Examination and/or the Project and the RECIPIENT shall restrict the disclosure of the Confidential Information to its employees or directors who have a need to know and shall ensure full compliance by its employees or directors to all confidentiality obligations under this Agreement;

d) shall not be copied by the RECIPIENT without the prior approval of VALEO.

**ARTICLE 4: RESTRICTIONS**

The provisions of this Agreement shall not be construed as:

a) obliging VALEO to provide any information to the RECIPIENT;

b) obliging VALEO to undertake any further contact with the RECIPIENT, orenter into any further contract, following the Preliminary Examination and/or the Project;

c) preventing VALEO from proposing and/or purchasing its products to third parties.

**ARTICLE 5: INTELLECTUAL PROPERTY**

* 1. The RECIPIENT acknowledges and agrees that any and all rights, title and interest in the Confidential Information that VALEO may possess shall remain VALEO’s exclusive property. Nothing in this Agreement shall be construed as conferring or granting to the RECIPIENT any intellectual or industrial property right, license, or right to use whatsoever the Confidential Information, either express or implied.
	2. The results of the Preliminary Examination and/or of the Project shall be the sole property of VALEO who has the sole right to use them and/or to proceed, at its sole discretion, with the registration of any patent or other intellectual property rights relating thereto.

This includes any copyright covering any plans, drawings, models or industrial designs resulting from the Preliminary Examination and/or the Project.

**ARTICLE 6: EFFECTIVE DATE – DURATION - TERMINATION**

* 1. This Agreement shall enter into force as of the date of first disclosure of Confidential Information (“Effective Date”) by VALEO, and shall terminate five (5) years from such date.

6.2. VALEO may however terminate this Agreement as of right at any time by giving two (2) months written Notice to the RECIPIENT. Any such termination may be carried out without the necessity of recourse to any court or tribunal.

6.3. The RECIPIENT’s obligations contained in this Agreement to keep confidential and restrict the use of VALEO's Confidential Information shall survive for a period of five (5) years from the date of its expiration and/or termination for any reason whatsoever.

**ARTICLE 7: RETURN OF INFORMATION**

At any time and, at the latest, upon the expiration and/or termination of this Agreement, the RECIPIENT shall, if required by VALEO, return the Confidential Information and authorized copies within fifteen (15) calendar days and/or delete such from all computer files. If agreed by VALEO, the Confidential Information and authorized copies thereof may also be destroyed by the RECIPIENT. The RECIPIENT shall provide a prompt written notice to such effect.

**ARTICLE 8: ASSIGNMENT**

8.1. This Agreement shall not be assigned or transferred to any third party without the prior written approval of VALEO.

8.2. The RECIPIENT shall inform VALEO in the event of any change in ownership of, or rights to, its shareholding.

**ARTICLE 9: MODIFICATION**

This Agreement may not be modified except by a written document signed by the Parties.

### ARTICLE 10: SEVERABILITY

In the event any provision of this Agreement is found to be void and unenforceable, the remaining provisions shall remain in full force and effect.

**ARTICLE 11: JURISDICTION AND APPLICABLE LAW**

11.1. The law of the country or state of the RECIPIENT shall be applicable to any given Purchase Order, excluding any reference to rules of conflicts of laws. The Vienna Convention of 1980 on the Sale of Goods is hereby expressly excluded.

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11.2. The courts of the country or state of the RECIPIENT shall have jurisdiction over any disputes arising under a Purchase Order.

11.3. The RECIPIENT agrees that any violation of any terms of this Agreement will cause immediate and irreparable harm to VALEO. Therefore and,notwithstanding the above and without prejudice to the rights and remedies otherwise available, VALEO shall be entitled to equitable relief by way of injunction or other urgent proceeding in the event that the RECIPIENT breaches or threatens to breach any of the provisions of this Agreement before the competent courts.

**ARTICLE 12: NOTICES**

All notices shall be considered as validly served if sent by prepaid registered airmail, return receipt requested, or, if urgent, by facsimile if the receipt of the facsimile is acknowledged by the Party to whom it is addressed, to the following addresses:

radek.hornof@valeo.com

vendula.frankova@valeo.com

karel.vacha@valeo.com

 In witness whereof, this Agreement has been executed in two (2) counterparts.

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| For VALEO: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_(Signature)Name: Patrik HuňáčekTitle: **Indirect Purchasing Manager Czech Republic**Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |  |
| For the Recepient: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_(Signature)Name: Title: Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |  |