

## CLA Non-Disclosure Agreement

THIS AGREEMENT ("Agreement"), made and entered into as of \_\_\_\_\_, 2010 by and between \_\_\_\_\_, having its business office at \_\_\_\_\_ ("COMPANY"), and SD-3C, LLC, a Delaware limited liability company, having its principal place of business at c/o Miller, Kaplan, Arase & Co., LLP, 180 Montgomery Street Suite 1840, San Francisco, California 94104, USA ("SD-3C LLC");

### WITNESSETH:

WHEREAS, Panasonic Corporation, SanDisk Corporation and Toshiba Corporation (collectively, the "SD Group") have jointly developed a next generation card technology; and

WHEREAS, the SD Group collectively owns certain confidential or proprietary information including, but not limited to, specification designs, drawings, mask works, software, processes, data, know-how, plans, services, samples, prototypes, application, and other information regarding technical specifications for such next generation memory cards ("SD Memory Cards"), as set forth in Exhibit A and incorporated herein and made a part of this Agreement, (all such items set forth in Exhibit A, the "SD Specifications"); and

WHEREAS, the SD Group has granted SD-3C LLC the right to license the SD Specifications; and

WHEREAS, the SD-3C LLC has prepared a card license agreement (the "CLA") for the purpose of licensing the essential patent claims, SD Specifications and logos to make, use and sell SD Memory Cards; and

WHEREAS, certain schedules of the CLA are set forth in Exhibit B and incorporated herein and made a part of this Agreement, (such schedules set forth in Exhibit B, the "CLA Schedules"); and

WHEREAS, the SD Specifications and CLA Schedules are considered trade secrets of the SD Group and SD-3C LLC; and

WHEREAS, the SD-3C LLC possesses the SD Specifications and CLA Schedules, which it desires, to disclose to COMPANY, and COMPANY is willing to accept such SD Specifications and CLA Schedules confidentially and as limited herein (the SD Specifications, CLA Schedules, and other information disclosed by SD-3C LLC to COMPANY under this Agreement, collectively the "Confidential Information"); and

WHEREAS, the purpose of such disclosure to COMPANY of Confidential Information under the terms and conditions herein is to permit evaluation of the CLA licensing terms and conditions and SD Specifications for use in developing, designing and/or manufacturing possible future products which will be compliant with the SD Specifications.

NOW, THEREFORE, in mutual consideration of the covenants and premises set forth herein, the parties agree as follows:

1. COMPANY shall not disclose Confidential Information to any third party or employees of COMPANY, except to those certain employees who require such access to carry out the purpose of this Agreement; provided, however, such employees are bound by terms and conditions substantially similar to those contained in this Agreement.

2. COMPANY shall not use Confidential Information for its own use, including but not limited to filing patent applications based on the Confidential Information, nor for any purpose other than the purpose of this Agreement. COMPANY further agrees not to copy, alter, modify, disassemble, or reverse engineer any of the Confidential Information unless permitted in writing by SD-3C LLC.

3. If Confidential Information is disclosed in tangible form, it shall at all times be marked "Confidential", "Proprietary" or in some other legend to indicate its confidential nature. If Confidential Information is disclosed orally, through demonstration or other intangible form, it shall be specifically designated by SD-3C LLC as Confidential Information at the time of disclosure and confirmed in writing within thirty (30) days from the date of disclosure. Notwithstanding the foregoing, all items set forth in Exhibit A and Exhibit B hereto, shall always be considered Confidential Information.

4. COMPANY shall use the same degree of care, but no less than reasonable care under the circumstances, in keeping Confidential Information confidential as it uses for its own confidential information of a similar nature. COMPANY shall notify SD-3C LLC in writing immediately upon the occurrence of any unauthorized release of the Confidential Information or any other breach of this Agreement of which it is aware.

5. The obligations under this Agreement shall not extend to Confidential Information that: (i) was generally available to the public at the time it was disclosed; (ii) becomes generally available to the public after disclosure not as a result of any improper inaction or action of COMPANY; (iii) was rightfully known to COMPANY at the time of disclosure free from any obligation of confidentiality at the time of disclosure; (iv) is independently developed by COMPANY, by a person or persons who have not had access to the Confidential Information; (v) is approved in writing by SD-3C LLC for release; or (vi) is disclosed by SD-3C LLC to a third party without restrictions on such third party's rights to disclose or use the same.

Notwithstanding anything to the contrary contained herein, COMPANY may disclose Confidential Information if required by any judicial or governmental request, requirement or order, or by operation of law; provided, however, that COMPANY shall promptly inform SD-3C LLC and SD Group of such request, requirement or order prior to such disclosure and shall assist as reasonably requested to take steps necessary to obtain a protective order or otherwise prevent disclosure.

6. This Agreement shall remain in effect until the earlier of: (i) the one (1) year anniversary from the date first above written; or (ii) the consummation of a CLA between the parties; provided, however, that in any case all of the confidentiality and limited use obligations contained herein shall survive for ten (10) years except for the security specifications (Part 3 in Exhibit A), which confidentiality period shall survive in perpetuity.

7. Both parties to this Agreement acknowledge that certain technical information disclosed by SD-3C LLC to COMPANY hereunder may be subject to the export control laws

or regulations of the United States and/or Japan. SD-3C LLC shall be responsible for obtaining any export license or authorization as may be required under such laws or regulations with respect to the export to COMPANY by SD-3C LLC of any Confidential Information.

8. All Confidential Information shall remain the property of SD Group or SD-3C LLC as applicable. Upon request by SD-3C LLC, all Confidential Information furnished to COMPANY hereunder and all copies thereof, if any, shall be, at the discretion of SD-3C LLC, returned to SD-3C LLC or destroyed, and COMPANY shall provide SD-3C LLC with a written representation of compliance with this sentence.

9. No license, express or implied, in Confidential Information is granted to the COMPANY other than to use Confidential Information in the manner and to the extent authorized in this Agreement.

10. Neither this Agreement, nor the disclosure or receipt of Confidential Information shall constitute or imply any promise or intention by either party to enter any contract, license or other business relationship or to make any purchase of products or services by either of the parties or their affiliated companies with respect to the present or future marketing of any product or service. COMPANY understands that any commercial use of the SD Specifications requires that a CLA be consummated between itself and SD-3C LLC.

11. COMPANY understands that the SD Specifications provided by SD-3C LLC in this Agreement are subject to change and revision at the discretion of the SD Group or SD Card Association.

12. Both parties understand that either party may be currently or in the future exchanging information with third parties that may be identical or similar to the Confidential Information. Accordingly, nothing in this Agreement will be construed as a representation or inference that either party may not develop products, or have products developed for it, or enter into joint ventures, alliances and licensing agreements, that, without violation of this Agreement, compete with products or systems which might be developed or manufactured according to the SD Specifications.

13. This Agreement shall be governed by and construed in accordance with the laws of the state of California without regard to the conflicts of law provisions thereof.

14. This Agreement represents the entire understanding between the parties with respect to Confidential Information, and no waiver, alteration, or modification of any of the provisions hereof shall be binding on the parties unless made in writing and signed by duly authorized representatives of the parties. No right or obligation under this Agreement shall be assigned or delegated by COMPANY without the prior written consent of SD-3C LLC. Any attempted assignment or delegation shall be wholly void and totally ineffective for all purposes. Any permitted assignment or delegation shall be binding upon the parties, their successors and the permitted assigns.

15. Notwithstanding the foregoing, it is understood by COMPANY that this Agreement, including all rights and obligations hereunder, may be transferred by SD-3C LLC to a licensing entity to be established by and among the SD Group.

16. All Confidential Information is provided "AS IS" and without any warranty, express, implied or otherwise, regarding such Confidential Information's accuracy or performance.

17. Any notice required or permitted by this Agreement shall be in writing and shall be delivered as follows, with notice deemed given as indicated: (i) by personal delivery, when delivered personally; (ii) by overnight courier, upon written verification of receipt; (iii) by telecopy or facsimile transmission, upon acknowledgment of receipt of electronic transmission; or (iv) by certified or registered mail, return receipt requested, upon verification of receipt. Notice shall be sent to the addresses set forth above or to such other address as a party may specify in writing.

18. If any provision of this Agreement is held by a court of law to be illegal, invalid or unenforceable, (i) that provision shall be deemed amended to achieve as nearly as possible the same economic effect as the original provision; and (ii) the legality, validity and enforceability of the remaining provisions of this Agreement shall not be affected or impaired thereby.

19. A breach of any of the COMPANY's obligations herein will result in irreparable and continuing damage to SD Group and SD-3C LLC for which there will be no adequate remedy at law, and SD-3C LLC shall be entitled to injunctive relief and/or a decree for specific performance, and such other relief as may be proper (including monetary damages if appropriate). COMPANY further agrees that no bond or other security will be required in obtaining such relief or remedies.

**Remainder of this page intentionally left blank.**

IN WITNESS WHEREOF, the parties have, by their authorized representatives and agents, executed this Agreement as of the date first set forth above.

**COMPANY**

**SD-3C, LLC**

By: \_\_\_\_\_

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: President, SD-3C, LLC

**Exhibit A**  
**SD Specifications**

Part 1 Physical Layer Specification	Rev. 1.01	Released April 15, 2001.
Part 2 File System Specification	Rev. 1.01	Released April 15, 2001
Part 3 Security Specification	Rev. 1.01	Released April 15, 2001
Part 4 SD Audio Specification	Rev. 1.01	Released April 15, 2001

**Exhibit B**  
**CLA Schedules**