



NON-DISCLOSURE AGREEMENT

THIS AGREEMENT is entered into as of _____ (the "Effective Date") and governs the disclosure of information by and between Advanced Cybernetics Group, Inc., a California corporation ("ACG"), and

_____, ("Recipient").

As used herein, "Confidential Information" shall mean any and all technical and non-technical information provided by ACG to the Recipient, including, without limitation, trade secrets, mask works, ideas, samples, media, techniques, sketches, drawings, works of authorship, models, inventions, know-how, processes, apparatuses, equipment, algorithms, software programs, software source documents, and formulae related to ACG's current, future, and proposed products, services or customers, and including, without limitation, ACG's information concerning research, experimental work, development, design details and specifications, engineering, financial information, procurement requirements, purchasing, manufacturing, customer lists, investors, employees, business and contractual relationships, business forecasts, sales and merchandising, marketing plans and information ACG provides regarding third parties.

The term "Confidential Information" shall not include any information which (a) now is or hereafter becomes known or available to the public other than as the result of a disclosure by the Recipient in breach hereof, (b) becomes known or available to the Recipient on a non confidential basis from a source other than ACG which source is not under any obligation to ACG not to disclose such information, (c) is developed by Recipient independently of, or was known by or available to Recipient prior to, any disclosure made by ACG, or (d) is required to be disclosed by applicable law (provided, however, that Recipient provides ACG with prompt written notice so that ACG may, in a timely fashion, seek a protective order or other appropriate remedy prior to such disclosure, and that, should disclosure be required hereunder, Recipient furnishes only that portion of the Confidential Information legally required to be disclosed and uses reasonable efforts to obtain confidential treatment thereof by the party to whom the Confidential Information is disclosed).

Recipient agrees that at all times, and notwithstanding any termination of discussions between the parties, it will hold in strict confidence and not disclose to any third party the Confidential Information, except as approved in writing by ACG, and will use the Confidential Information for no purpose other than evaluating or pursuing a business relationship with ACG. Recipient shall only permit access to the Confidential Information to those of Recipient's employees or authorized representatives having a need to know and who have signed confidentiality agreements or are otherwise bound by confidentiality obligations at least as restrictive as those contained herein.

Recipient shall immediately notify ACG upon discovery of any loss or unauthorized disclosure of the Confidential Information. Upon termination of discussions between the parties, or upon ACG's written request, Recipient shall promptly return to ACG or destroy (and certify such destruction) all documents and other tangible materials representing the Confidential Information and all copies thereof.

Recipient recognizes and agrees that nothing contained in this Agreement shall be construed as granting any proprietary rights, by license or otherwise, to any Confidential Information, or to any invention or any patent, copyright, trademark, or other intellectual property right that has issued or that may issue, based on such Confidential Information.

Confidential Information shall not be reproduced in any form except as required to accomplish the intent of this Agreement. Any reproduction of any Confidential Information by Recipient shall remain the property of ACG and shall contain any and all confidential or proprietary notices or legends that appear on the original, unless otherwise authorized in writing by ACG.

All obligations of the Recipient under this Agreement shall survive any termination of discussions between the parties and be binding on Recipient's heirs, successors and assigns. Recipient will not assign or transfer any rights or obligations under this Agreement without ACG's prior written consent.

This Agreement shall be governed by and construed in accordance with the laws of California without reference to conflict of laws principles. This Agreement may not be amended except by a writing signed by both parties hereto.

Recipient acknowledges that a breach of this Agreement would cause irreparable damage to ACG and agrees that ACG shall be entitled to seek injunctive relief under this Agreement for any breach or threatened breach of this Agreement, as well as such further relief as may be granted by a court of competent jurisdiction at law or in equity.

If any provision of this Agreement is found by a proper authority to be unenforceable or invalid, such unenforceability or invalidity shall not render this Agreement unenforceable or invalid as a whole. In such event, such provision shall be changed and interpreted so as to best accomplish the objectives of such unenforceable or invalid provision within the limits of applicable law.

IN WITNESS WHEREOF, the parties hereto have caused this Non-Disclosure Agreement to be executed as of the Effective Date.

Advanced Cybernetics Group, Inc. _____

(Recipient) _____