

Confidentiality Agreement

This Confidentiality Agreement (Agreement) is made the last date of signature hereunder, by and between Advanced Combustion Technologies, Inc. with offices at 30652 Shadetree Lane, San Juan Capistrano, CA 92675 (ACT), and

_____, with offices at:

_____ (Recipient),
collectively the "Parties".

RECITALS:

1. The Parties desire to enter into discussions and/or negotiations regarding the following matter(s): A process of electrolysis for the generation of hydrogen and the reformation of organic polymers and the uses of the products thereof (Matter).
2. In the course of such discussions it may be necessary for ACT to disclose certain information which it deems to be confidential. The Parties desire to protect such information from unauthorized disclosure and use, and for use only for the purposes of exploring a prospective and proposed relationship that will be addressed in subsequent contracts and/or licenses.

NOW, THEREFORE, the Parties mutually agree and covenant as follows:

1. The Recipient includes the officers, agents, and employees of the Recipient; and Recipient shall bind all such persons to prevent violations of this Agreement.
2. As used in this Agreement, the term "Confidential Information" shall mean any oral or written information received from ACT which is not generally known to the public, including, without limitation, technical information regarding software and systems of the Matter and information relating to the business and technical plans of ACT which ACT has clearly marked, if tangible, or identified in writing, if oral, as confidential or proprietary in nature.
3. Recipient shall not, directly or indirectly, disclose or use Confidential Information, in whole or in part, for any purpose other than the purposes listed in Section 1 of the Recitals of this Agreement, without the prior written approval of ACT. Recipient shall use its reasonable efforts to prevent disclosure to third parties of Confidential Information in the manner the

recipient treats its own similar information, but in no case less than reasonable care will be exercised by Recipient.

4. The restrictions on Recipient's disclosure and use of Confidential Information shall not apply to the extent that such information (i) was already known to Recipient prior to receipt from ACT, (ii) is or becomes public knowledge without breach of Recipient's obligations under this agreement, (iii) is rightfully acquired by Recipient from a third party without restriction on disclosure or use, (iv) was or is disclosed by ACT to a third party prior to or after the date of this Agreement without restriction on use or (v) is disclosed or used following Recipient's receipt of express written consent from an officer of ACT, provided, however, that Recipient shall have the burden of proof respecting any of these events on which Recipient relies in order to relieve itself of any restrictions under this Agreement.
5. The furnishing of Confidential Information shall not constitute or be construed as a grant of any express or implied license or other right, or a covenant not to sue or forbearance from any express or implied license or other right, or a covenant not to sue or forbearance from any other right of action (except as to activities expressly permitted by this Agreement) nor as a grant of a license by ACT to Recipient under any of ACT's patents or other intellectual property rights.
6. The Agreement shall commence on the date set forth above and shall continue until the later to occur of the running of a period of five years, or until the matters contemplated in Section 1 of the Recitals of this Agreement are completed and all material retained under Section 7 of this Agreement is returned to ACT or destroyed (the "Term" of this Agreement)
7. Upon ACT's request, Recipient shall immediately return all written, graphic, or other tangible forms of the Confidential Information and all copies, electronic or otherwise, provided, however, that one copy, electronic or otherwise, may be retained for record retention purposes only. All material retained shall remain subject to the disclosure and use restrictions of this Agreement, in accordance with the provisions of Section 6 of this Agreement.
8. ACT does not warrant that all relevant information will be disclosed. ACT shall have no liability to Recipient as a result of the use of the Confidential Information by Recipient. Only those specific representations and warranties, which may be made in a definitive agreement with respect to the proposed business relationship when, as and if such an agreement is executed, shall have any legal effect.
9. Recipient acknowledges that monetary damages alone would not be a sufficient remedy for any breach of this Agreement and that ACT shall be entitled, in addition to any other right it may possess under law, to equitable

relief (including, but not limited to, an injunction or specific performance) in the event of any breach or threatened breach of the provisions of this Agreement.

10. Except as otherwise provided in this Agreement, this Agreement does not in any way constitute a binding commitment between the Parties with respect to the proposed business relationship. This Agreement shall not be construed to constitute a joint venture or partnership between the Parties.
11. In the event that the Parties enter into a subsequent written Agreement, the terms of such Agreement concerning confidentiality of information shall supersede any conflicting terms of this Agreement.
12. This Agreement contains the entire Agreement of the Parties relating to its subject matter and supersedes all prior or contemporaneous oral or written agreements. This Agreement may not be amended except by mutual written agreement of the Parties.
13. This Agreement shall be governed by and construed in accordance with the laws of the State of California, and any dispute relating to it shall be brought in the appropriate State and Federal Courts located in Orange County.

Advanced Combustion Technologies, Inc.

By: _____

Dated: _____

RECIPIENT:

By: _____

Dated: _____