# CONFIDENTIAL AND PROPRIETARY Welocalize, Inc

#### MUTUAL NON-DISCLOSURE AGREEMENT

THIS MUTUAL NON-DISCLOSURE AGREEMENT (the "Agreement"), is made this 19th day of December, 2007 by and between Welocalize, Inc., a Delaware Corporation ("Welocalize"), and Targetek Co., Ltd. ("Supplier").

WHEREAS, the Supplier will provide certain specialized services to include software development, translation, localization and globalization consulting (the "Services") for customers of Welocalize (each, a "Customer Company") or for Welocalize and,

WHEREAS, the Supplier will need to have access to certain proprietary technology and materials (including methodologies, translation memory databases, software programs and source code, identification names and passwords, documentation and/or marketing materials or other business information) in order to evaluate its strategy for delivering the Services and for actually delivering the Services; and,

WHEREAS, the Supplier and Welocalize consider such documents, identification names and passwords, records, translation memory databases and information pertaining to products confidential and do not want them disclosed to third parties;

NOW, THEREFORE IN CONSIDERATION of the mutual covenants and conditions herein contained, the parties agree as follows:

#### 1. OBLIGATION NOT TO USE OR DISCLOSE

Both parties agree to keep confidential all information concerning the other party's business or its ideas, products, customers or services that could be considered to be "Confidential Information," as such term is defined herein.

The receiving party will not, during or subsequent to the term of this Agreement, use the Confidential Information for any purpose whatsoever other than the performance of the Services for the benefit of Welocalize, or disclose Confidential Information to any third party other than its employees or subcontractors who have a need to have access to and knowledge of the Confidential Information solely in connection with the performance of Services hereunder.

Prior to disclosure, the receiving party shall have entered into non-disclosure agreements with such employees and subcontractors having obligations of confidentiality as strict as those contained in this Section, to ensure against unauthorized use or disclosure of Confidential Information.

## 2. DEFINITION OF CONFIDENTIAL INFORMATION

"Confidential Information" shall be deemed to include any technology, proprietary information, technical data, trade secrets and/or know-how, including, without limitation, research, product plans, products, services, customers, customer lists, pricing, revenue, markets, software, developments, inventions, processes, formulas, technology, designs, drawings, engineering, hardware configuration information, methodologies, translation memory databases, software programs and source code including those licensed by Welocalize and made available to Supplier for the purpose of facilitating Supplier's performance of services for Welocalize's or its customers' benefit, identification names and passwords, documentation, proprietary information belonging to third-party Welocalize customers or licensors, and/or marketing, finances or other business information, disclosed by the disclosing party either directly or indirectly in writing, orally, electronically, or by drawings or inspection of parts or equipment, including but not limited to any work product delivered hereunder, and other such information which, by its nature, is normally understood to be confidential.

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## 3. EXCLUSIONS

The obligations described in Section 1 shall not extend to the following:

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Confidential Information which at the time of disclosure is in the public domain
Confidential Information which after generation or disclosure is published or otherwise becomes part of the public domain through no fault of the receiving

the public domain through no fault of the receiving party (but only after and to the extent that it is published or otherwise becomes part of the public domain)

Confidential Information which either party can show was in its possession at the time of generation or disclosure and was not acquired, directly or indirectly, from the other party or from a third party under an obligation of confidence

Confidential Information which was received after the time of generation or disclosure hereunder, from a third party who did not require that party to hold it in confidence and who did not acquire it, directly or indirectly, from the other party under an obligation of confidence; and

Confidential Information which the receiving party can show was developed independently without benefit of, or being based on, information generated hereunder or made available by the other party

## 4. STANDARD OF CARE

Each party shall exercise at least such care in protection of the confidential information of the other as they exercise in the protection of Confidential Information of their own, but in no event shall such party exercise less than reasonable care in doing so.

It is the Supplier's responsibility to notify Welocalize if and when an employee with access to their identification names and passwords leaves the company. Welocalize will reset the password upon notification.

## 5. ACTS OF EMPLOYEES, FT AL.

Each party shall be responsible for the acts or failures to act of its respective employees, including in Supplier's case, any ex-employee possessed of identification names and passwords as contemplated by Section 4 above,

## 6. RETURN OF CONFIDENTIAL INFORMATION

Upon the expiration or termination of this Agreement or upon the earlier demand of the other party, each party agrees to return to the other all of the documents, software source code, translation memory databases (TMs), discs, files, printed materials and other Confidential Information provided hereunder, and all copies thereof.

## 7. RIGHT TO DISCLOSE; NO LICENSE

Each party warrants to the other that it has the unqualified right to disclose to each other the Confidential Information disclosed hereunder. All such Confidential
Information will remain the property of the disclosing party and the receiving party will not acquire any rights to that confidential information. No license or other
rights in and to Confidential Information is granted hereunder and neither of the parties hereto is under any obligation to enter into any business/technical
arrangement or agreement with the other party by virtue of this Agreement or any disclosure hereunder, or in fact to make any disclosure hereunder. In particular,
this Agreement does not grant any right or license, express or implied, to use Confidential Information except as permitted by this Agreement, nor any right to
license, express or implied, under any patent, nor any right to purchase, distribute or sell any product.

#### 8. CLIENT CONTACT

Except where expressly authorized by Welocalize, the Supplier shall not contact any client for whom it is performing work through Welocalize.

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- 9. NOTIFICATION OF PARTNER OWNERSHIP CHANGE. In the event of a change in ownership of the Supplier pursuant to which the group of equity owners possessing a majority of the equity interests of the company immediately prior to the change, fails to possess a majority after the change, the Supplier shall immediately notify Welocalize in writing about the change. This applies regardless of context and regardless of the corporate form of Supplier e.g., it applies to partnerships, acquisitions, mergers and/or the bringing in of new investors, etc.
- 10. ASSIGNMENT. Neither party shall assign this Agreement (directly, indirectly, or by operation of law as the result of a merger, sale of equity interest or otherwise) without the other party's consent, and any attempt to do so shall be void. Notwithstanding the foregoing, however, a party shall have the right to assign this Agreement to an affiliate, provided the affiliate agrees in writing to be bound by the terms of this Agreement, and provided that such assignment shall not release the assigning party from its obligations hereunder.
- 11. NON-HIRING. During any period in which this Agreement is effective, and for twelve (12) months thereafter, neither party will solicit any employee of the other party for the purposes of offering employment. Each party shall promptly notify the other of any communications with any personnel regarding employment.
- 12. NON-SOLICITATION. During the term of this Agreement and for twelve (12) months thereafter, the Supplier agrees that it will not directly or indirectly approach any Customer Company for whom it is providing Services with the intention of providing such Services, or similar services, directly to the Customer Company. All communication on projects and on the Services will be through Welocalize project manager unless otherwise authorized by Welocalize in writing. The Supplier will promptly notify Welocalize if the Supplier is approached directly or indirectly by the Customer Company to perform the work for which it has been engaged by Welocalize to perform for Customer Company, or by a competitor of Welocalize to perform the work for which it has been engaged by Welocalize to perform for Customer Company. This restriction does not apply with respect to any service engagement between the Supplier (either directly or through other MLVs) to a Customer Company in effect prior to the date of this Agreement.
- 13. PARTNER COMPLIANCE WITH LAWS. The Supplier shall not take any action, or fail to warn Welocalize not to take any action when Supplier is possessed of advance knowledge of Welocalize's intended action, where such action or failure to warn may cause Welocalize to be in violation of any law in any jurisdiction in any service area, or the U.S., Including but not limited to the U.S. Foreign Corrupt Practices Act of 1977 as amended, the U.S. Export Control Laws and the U.S. Anti-Boycott laws.
- 14. INDEMNIFICATION; EQUITABLE RELIEF. The Supplier shall reimburse and indemnify Welocalize for any losses or damages incurred by it as a result of any breach by the Supplier of this Agreement. The Supplier acknowledges that monetary damages may not be an adequate remedy for a breach of this agreement by the Supplier and, consequently, that an injunction and/or other appropriate equitable relief may be obtained to remedy a breach or threatened breach hereof.

- 15. TERM. This Agreement commences on the Effective Date for an initial period of one year and shall automatically renew on each anniversary of the Effective Date for successive one-year periods, unless neither party has disclosed any Confidential Information to the other party within the prior six (6) months. Notwithstanding the foregoing, the obligations of confidentiality set forth in this Agreement shall survive expiration of the Agreement for a period equal to the longer of (a) three (3) years following the last disclosure of Confidential Information made hereunder or, (b) if the Confidential Information constitutes a trade secret under applicable law, for such time as it remains a trade secret. Nothing in this Agreement shall be construed so as to require either party to disclose any particular Confidential Information to the other.
- 16. CHOICE OF LAW. This Agreement shall be governed in accordance with the laws of the State of Maryland, United States of America, excluding principles of conflict of laws. Each party agrees and consents to venue and jurisdiction in connection with any action arising hereunder, or in connection herewith, solely within the state courts sitting in Frederick County or Montgomery County, Maryland or, if a federal action, the federal District Court for the District of Maryland, in each case at the option of Welocalize.

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17. MISCELLANEOUS. This Agreement constitutes the entire agreement between the parties hereto and supersedes and cancels any prior agreements or communications, whether oral or written, between the Parties hereto relating to the subject matter hereof. This Agreement may not be changed, waived, discharged or terminated orally, but only by an agreement in writing signed by the party against which the enforcement of such change, waiver, discharge or termination is sought. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, and all of which shall be deemed to be one and the same instrument.

IN WITNESS HEREOF, the parties hereto by their duly authorized representatives have executed this Agreement as of the date first written above.

Date: \_\_09/10/07\_\_

Accepted by: Welocalize Inc. (Company Name)

/s/ Olga Blasco (Signature) Olga Blasco (Name)

Director, Global Language Services

(Title) 52-2212421 (Federal ID#)

241 East 4th Street. Suite 207 Frederick. Maryland 21701

(Address)

Date: \_\_12/19/07\_\_

Accepted by: Targetek Co., Ltd. (Company Name)

/s/ Wen-Hui Lee (Signature) Lee, Wen-Hui (Name Printed) Approved Contract Officer

(Title)

(Federal ID# or Tax ID) 11F, No. 216, Sec. 2,

Nanjina E. Rd., Taipei 10489. Taiwan

(Address)