

MUTUAL CONFIDENTIALITY & NON-DISCLOSURE AGREEMENT

This will affirm the agreement between MFIC Corporation, a Delaware corporation together with its subsidiary, Microfluidics Corporation (collectively referred to as "MFIC") and _____, having a business address at _____ with respect to certain proprietary information to which each of us is furnishing to the other for consideration, evaluation including inventions or discoveries covered by any patent, any materials, devices, processes, trade secrets, know-how or other proprietary information disclosed (the "Information").

All Information which is disclosed by either party is disclosed in confidence; and each party receiving such Information agrees that it will not (without the prior written consent of the disclosing party) for a period of three (3) years from the date hereof disclose to any third party any of the Information. All Information disclosed shall be marked "confidential" if provided in writing or, if verbal, designated as "confidential" within 30 days of its communication. The provisions of this paragraph shall not apply to any information:

1. which is now or which becomes public knowledge through no fault of the receiving party;
2. which is properly provided to the receiving party by an independent third party not legally restricted by agreement with the disclosing party or otherwise;
3. which the receiving party can show by its written records was already in its possession at the time of receipt of Information from the disclosing party or was developed independently either before or after the receipt or the Information, can be evidenced in writing by such party's laboratory notes, journals, contemporary memoranda or data.

The exceptions of the preceding paragraph shall not apply to any specific information merely because it is included in more general non-confidential information, nor to any specific combination of information merely because individual elements, but not the combination, are included in non-confidential information.

Notwithstanding the above restrictions on disclosure, if either party must disclose the Information, based upon advice of counsel, in order to comply with applicable law or regulation or with any requirement imposed by judicial or administrative process other than those laws, regulations or processes associated with the filing and or prosecution of a patent application. In such event the party seeking to make disclosure: (i) shall immediately notify other party in writing of such legally required disclosure prior to making same, and (ii) shall afford such party the opportunity, at such party's election and expense, to respond to such request and /or to attempt to block such disclosure. Further, if such disclosure is compelled the party making the disclosure shall disclose only the minimum of the Information that is required to be disclosed to comply with such order, law or regulation.

Notwithstanding the above provisions, nothing herein contained shall be construed as granting either party any license, or other rights in or with respect to any invention, or discovery (relating to the Information) covered by any patent heretofore or hereafter issued to either party.

Neither party shall attempt to analyze, disassemble or duplicate proprietary items received from the other party specifically including but not limited to product samples and interaction chambers of any Microfluidizer® materials processor.

The parties agree that in the event a breach of this Agreement, the non-breaching party's available damages and remedies at law would be inadequate and, accordingly, such party shall have the right to obtain temporary and/or permanent injunctive relief or its equivalent under domestic or foreign law against the breaching party or to prevent the unauthorized use or disclosure of any Information as well as all other remedies that may be available to the non-breaching party. All legal and equitable rights, remedies and damages available to the non-breaching party ("Remedies") shall be considered cumulative and the use or choice of a particular remedy, damage or relief shall not preclude such party's further exercise of other remedy.

This Agreement shall be governed by and construed under the laws of the Commonwealth of Massachusetts, as an instrument under seal. The parties hereby consent to the jurisdiction of the courts of the Commonwealth of Massachusetts or such other jurisdiction as the non-breaching party may find more convenient or effective for the prosecution of any action hereunder.

This Agreement represents the entire agreement between the parties relating to the subject matter hereof and supersedes any previous understanding or agreement.

The parties agree that the provisions of this Agreement are severable. If any provision hereof shall be declared to be invalid or unenforceable for any reason, such unenforceability shall not affect the enforceability of the remaining provisions, and such offending provision shall be reformed and construed so that the remainder is valid and enforceable.

Signed as a sealed instrument this _____ day of _____, 20_____.

MFIC CORPORATION
on behalf of its Microfluidics Division

By: _____
Robert P. Bruno, President & COO

By: _____
Print Name:

Title: