



Mutual Confidentiality Agreement

THIS MUTUAL CONFIDENTIALITY AGREEMENT (this "Agreement") is made as of the ____ day of _____, by and between RSI Inc. an Arizona corporation, ("DBA Pixa"), and _____ with reference to the following facts:

A. Pixa and _____ are interested in exploring a "Possible Project" (as defined below and each party may receive from the other "Evaluation Material" (as defined below).

B. This Agreement sets forth the obligations of the parties concerning such Evaluation Material and other matters relating to their discussions.

NOW, THEREFORE, in consideration of the furnishing of Evaluation Material by each party to the other, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Certain Definitions. The following terms, as used herein, shall have the following meanings:

1.1 "Evaluation Materials" means any information (whether prepared by a party, its representatives or otherwise, and whether oral or written, and includes any information furnished prior to the execution of this Agreement) that is furnished by or on behalf of a party (the "disclosing party") to the other party (the "receiving party") or its representatives and any analyses, compilations, studies or other documents prepared by or on behalf of either party and based in whole or in part on Evaluation Material furnished by the disclosing party. Evaluation Material does not include information that (a) becomes generally available to the public other than as a result of a disclosure by the receiving party or its representatives in violation of this Agreement or other obligation of confidentiality under which such information may be held, or (b) becomes available to a party on a non-confidential basis from a source other than the other party or its representatives, provided that such source is not bound by a confidentiality agreement with or _____

1.2 "Possible Project" means the possibility of Pixa and _____ entering into a commerce agreement, or other arrangement between Pixa and _____, regarding _____.

1.3 "Representatives" or "representatives" of a party means that party's directors, officers, partners, employees, agents, contract employees, advisors and potential financing sources.

2. Use of Evaluation Materials; Confidentiality. As a condition of being furnished Evaluation Material, each party (as a receiving party) or the party specifically identified below agrees as follows:

2.1 The Evaluation Material will be used solely for the purpose of evaluating a Possible Project, will not be used in any way detrimental to the disclosing party, and will be kept confidential by the receiving party and its representatives; *provided, however,* that any of such Evaluation Material may be disclosed to the receiving party's representatives who need to know the information therein for the purpose of evaluating a Possible Project, upon condition that the receiving party requires such representatives to keep such information confidential and to be bound by this Agreement to the same extent as if they were parties hereto, including, but not limited to, requiring such representatives to so agree in writing. Each party will be responsible for any breach of this Agreement by its representatives, and the other party shall be entitled directly to enforce such agreements.

2.2 Although each party has endeavored to include in the Evaluation Material information which it believes to be relevant for the other party's consideration, each party understands that neither the other party nor any of its representatives has made or makes any representation or warranty as to the accuracy or completeness of the Evaluation Material. Each party agrees that neither the other party nor the other party's representatives shall have any liability to such party nor to any of its representatives resulting from the use or contents of the Evaluation Material or from any action taken or any inaction occurring in reliance on the Evaluation Material, except as may be agreed in any definitive agreement with respect to a Possible Project.

2.3 Neither party, without the prior written consent of the other, will, and each party will cause its representatives not to, disclose or reveal, directly or indirectly, to any person either the fact that discussions or negotiations are taking place concerning a Possible Project or any of the terms, conditions or other facts with respect to the Possible Project, including the status thereof.

2.4 At the request of either party or if the parties do not agree upon a Possible Project within a reasonable time, the other party and its representatives shall promptly redeliver to the requesting party all written Evaluation Material and any other written material containing or reflecting any information in the Evaluation Material (whether prepared by the requesting party, its representatives or otherwise) and will not retain any copies, extracts or other reproductions, in whole or in part, of such written material. All documents, memorandum, notes and other writing whatsoever prepared by either party or its representatives based on information in the Evaluation Material furnished by or on behalf of the other party shall be destroyed, and such destruction shall be certified in writing to the other party by an authorized officer supervising such destruction.

2.5 All Evaluation Material shall remain the exclusive property of the disclosing party and nothing in this Agreement, or any course of conduct between the parties shall be deemed to grant to the receiving party any rights in or to the Evaluation Material of the disclosing party, or any part thereof.

3. General Provisions.

3.1 Unless and until a definitive agreement between Pixa and _____ has been executed and delivered with respect to the Possible Project, neither party will be under any legal obligation of any kind whatsoever with respect to the Possible Project by virtue of this or any written or oral expression with respect to the Possible Project by it or any of its representatives, except for the matters specifically agreed to in this Agreement. Neither party shall have any obligation to authorize or pursue with the other party the Possible Project, and each party acknowledges its understanding that the other party has not, as of the date hereof, authorized the Possible Project.

3.2 This Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof and supersedes all previous agreements, whether written or oral, relating to the same subject matter. All such previous agreements between the parties are hereby terminated and shall have no further force or effect.

3.3 No failure or delay by either party in exercising any right, power or privilege under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any right, power, or privilege under this Agreement.

3.4 This Agreement may be modified or waived only by a separate writing by the parties and expressly so modifying or waiving this Agreement or specified provisions of this Agreement.

3.5 The parties acknowledge that money damages are an inadequate remedy for breach of this Agreement because of the difficulty of ascertaining the amount of damage that will be suffered by a party in the event that the other party breaches this Agreement. Therefore, both parties agree that the other party may obtain specific performance of this Agreement and injunctive relief against any breach of this Agreement, and each party hereby waives any and all provisions of applicable law that would, if not waived, require the other party to post a bond or other surety in order to seek or obtain such remedies.

3.6 If any term, provision, covenants or restriction of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

3.7 If any action, suit or proceeding is brought under or in connection with this Agreement, the prevailing party therein shall be entitled to its costs and expenses and reasonable attorney fees.

3.8 The Agreement shall be binding on and inure to the benefit of the parties and their representatives, successors and assigns, *provided, however,* that the right to receive Evaluation Material of a party may not be assigned without the prior written consent of such party.

3.9 Section or paragraph headings in this Agreement are included for convenience of reference only, do not constitute a part of this Agreement and shall be disregarded in the interpretation or construction of this Agreement.

3.10 This letter shall be governed by, and construed in accordance with, the laws of the State of Arizona, without reference to its conflict of laws or choice of law provisions, and the parties hereby irrevocably submit to the exclusive jurisdiction and venue of the state and federal courts located in Maricopa County, Arizona.

3.11 Each party acknowledges that the restrictions set forth in this Agreement are fair and reasonable and are necessary in order to protect the business of the other party and the confidential nature of the Evaluation Material of the other party. Each party further acknowledges that the Evaluation Material of the other party is unique to the business of the other party and would not be revealed to it were it not for its willingness to agree to the restrictions set forth in this Agreement.

3.12 Each party reserves the right, in its sole discretion, to reject any and all proposals made by the other party with regard to any business transaction and to terminate discussions and negotiations with the other party at any time. Without limiting the preceding sentence, nothing in this Agreement requires either party to enter into any business transaction with the other party or to negotiate such transaction for any specified period of time.

IN WITNESS WHEREOF, the parties have executed and delivered this Mutual Confidentiality Agreement as of the date set forth above.

Pixa _____

By: _____

Name: Ted Raymond

Title: Principal

By: _____

Name: _____

Title _____