

## Pro:Idiom™ Evaluation Confidentiality Agreement

This Confidentiality Agreement (the “Agreement”), by and between Zenith Electronics LLC, with offices at 2000 Millbrook Drive, Lincolnshire, IL 60069 (“Zenith”) and \_\_\_\_\_, with offices at \_\_\_\_\_ (“Recipient”) (Zenith and Recipient are each a “Party” and may be collectively referred to herein as the “Parties”), is effective as of the date this Agreement is executed by both of the Parties (the “Effective Date”).

**WHEREAS**, Zenith, LG Electronics and other Zenith affiliates have developed, and Zenith has acquired the rights necessary to license, the Pro:Idiom Content Protection System (“Pro:Idiom”), a system using encrypted MPEG-compliant streams to protect premium audiovisual content in the hospitality environment;

**WHEREAS**, Zenith wishes to work with hotel video system providers, manufacturers, content owners and others to provide and utilize Pro:Idiom in the hospitality environment; and

**WHEREAS**, Recipient desires to obtain confidential information in order to evaluate Pro:Idiom, and possibly to use and implement Pro:Idiom;

**NOW THEREFORE**, in consideration of the foregoing, and of the mutual obligations and covenants set forth herein, and for other good and valuable consideration, the Parties agree and intend to be bound as follows.

### A.1 Definitions.

- “**Zenith**” and “**Recipient**” are defined as above;
- “**Confidential Information**” means the Specification and all information therein and any other information pertaining to Pro:Idiom that is marked as “Confidential Information” when disclosed in writing by Zenith, or that is identified as “Confidential Information” when disclosed orally, and thereafter confirmed in writing within 30 days after such disclosure, except as otherwise provided in Section A.4 of this Agreement;
- “**Specification**” means, collectively, the documents entitled “Level 1 Manufacturer Implementation Specification Version 1.14,” and “Level 2 Manufacturer Specification Version 1.0,” as such document may be amended from time to time; and
- “**Affiliate**” means, with respect to the Parties, any corporation or other business organization that, directly or indirectly, controls, is controlled by, or is under common ownership or control of the Parties. “Control” means ownership of at least 50% of the voting shares or other equity interests of a business organization, or the ability to direct the management and policies of a business organization through equity ownership, contract, or other means.

**A.2 Delivery of Materials Embodying Confidential Information.** Upon the Parties’ execution of this Agreement, Zenith shall promptly provide Recipient with one copy of the version of the Specification appropriate for Recipient to evaluate the Pro:Idiom

Content Protection System and the Pro:Idiom Content Protection System Manufacturer Agreement (the “Pro:Idiom Agreement”).

### **A.3 Rights and Responsibilities as to Confidential Information.**

**A.3.1 Disclosure of Confidential Information.** Recipient may disclose Confidential Information only to its regular employees, to regular employees of its Affiliates, and to individuals retained as independent contractors subject to confidentiality obligations equivalent to those applicable to full-time employees of Recipient who need to know the Confidential Information to carry out the uses specified below.

**A.3.1.1 Use for Evaluation Only.** Prior to and until becoming a Pro:Idiom Adopter by executing a Pro:Idiom Agreement, Recipient may use Confidential Information only for tasks directly related to evaluating the Pro:Idiom Content Protection System and for purposes of determining whether to become a Pro:Idiom Adopter. Recipient may not use Confidential Information for any other purpose.

**A.3.2 Copying Confidential Information.** Recipient shall make no copies of materials that include Confidential Information, including any aspect of the Specification, unless and until Recipient becomes a Pro:Idiom Adopter by executing a Pro:Idiom Agreement. Recipient then may copy Confidential Information only to the extent permitted in the Pro:Idiom Agreement.

**A.3.3 Required Degree of Care.** Recipient shall use, and shall ensure that third parties who receive Confidential Information from Recipient use, the same degree of care to avoid unauthorized disclosure or use of Confidential Information as Recipient or such third party, as the case may be, employs with respect to its own comparably important confidential information, but in any event, no less than a reasonable degree of care.

**A.4 Exclusions.** The obligations set forth in this Agreement shall not apply to information that:

- (i) was known, without obligation of confidence, by Recipient prior to disclosure by Zenith;
- (ii) is or becomes generally known to the public without violation of this Agreement;
- (iii) is lawfully obtained by Recipient from a third party that lawfully disclosed it without restriction on use or disclosure; or
- (iv) is developed by Recipient completely independent of any disclosure by Zenith.

Notwithstanding the foregoing, if Recipient would be obligated to treat information as Confidential Information under this Agreement absent the circumstance set forth in paragraph (ii) above, and if such information is the subject of one or more injunctions issued by a court of competent jurisdiction prohibiting its public availability or disclosure, Recipient must continue to treat such information as Confidential Information.

## **A.5 Term of Evaluation, and Termination.**

**A.5.1 Term of Evaluation Period.** Recipient may retain materials embodying Confidential Information for ninety (90) days from the Effective Date. Such term may be extended in writing by Zenith in its sole discretion. Prior to the expiration of such ninety days or extension, Recipient shall do one of the following: (i) execute a Pro:Idiom Agreement and pay the applicable fees, or (ii) terminate this Agreement and return to Zenith all materials, including copies, embodying Confidential Information. If Recipient becomes a Pro:Idiom Adopter, the term of this Agreement becomes coextensive with that of Recipient's Pro:Idiom Agreement.

**A.5.2 Option to Terminate.** Either Party may, for any reason, terminate this Agreement immediately upon written notice to the other, until such time as Recipient becomes a Pro:Idiom Adopter. In the event that Recipient becomes a Pro:Idiom Adopter, the termination provisions of the Pro:Idiom Agreement govern this Agreement.

**A.5.3 Duties Upon Termination.** Immediately upon termination of this Agreement Recipient shall return to Zenith all materials, including copies, embodying Confidential Information.

**A.5.4 Survival of Confidentiality Obligations.** Subject to Section A.4 hereof, Recipient's obligations herein with respect to disclosing and using Confidential Information survive termination of this Agreement and survive termination of any Pro:Idiom Agreements that Recipient may enter, even after return or destruction of the materials described in Section A.5.3.

**A.6 Governing Law and Jurisdiction.** This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois applicable to agreements made and to be performed entirely in such state, without regard to the choice of law rules of such state. The Parties to this Agreement hereby consent to the exclusive jurisdiction and venue in the state courts located in Chicago, Illinois and the United States District Court for the Northern District of Illinois, except that at the election of Zenith, a claim may be brought by Zenith in the competent courts in the venue of the Recipient's registered office.

**A.7 Counterparts.** This Agreement may be executed in counterparts, each of which shall be an original, but all of which together shall constitute one instrument.

**A.8 Implied License.** No right or license, express or implied, under any patent, copyright, trade secret, or other proprietary right is granted hereunder. None of the Parties have an obligation under this agreement to purchase any item or service from another Party.

**A.9 Modifications.** No modifications of this Agreement or waiver of any of its terms will be effective unless set forth in writing signed by the Party against whom it is sought to be enforced. Failure by a Party to require another Party's performance of any of the terms of this Agreement, or waiver by a Party of any breach of this Agreement by another Party shall not prevent subsequent enforcement of such term or be deemed a waiver of any subsequent breach thereof.

**A.10 Agency.** No agency or partnership relationship shall be created between the Parties by this Agreement

**A.11 Assignment.** This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and permitted assigns; provided, however, that none of the Parties shall have the right to transfer or assign its interests in this Agreement, in whole or in part, without the prior written consent of the other Party.

**A.12 Severability.** Each provision of this Agreement is intended by the Parties to be valid and enforced to the fullest extent permitted by applicable law. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision.

**A.13 Integration.** This Agreement is the entire agreement between the Parties hereto with respect to the subject matter hereof, there being no prior written or oral promises or representations with respect to such subject matter not incorporated herein. All prior negotiations, representations, discussions, contracts or agreements concerning the disclosure and protection of confidential information by the Parties hereto are canceled and merged herein.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first above written.

Zenith

Recipient

By: Richard Lewis

By: Name

Title: Senior Vice President

Title:

Date:

Date:

Pro:Idiom is a registered trademark of Zenith Electronics LLC.