

# Crumb Rubber Granulator, LLC

\_\_\_\_\_, 20\_\_\_\_

Enter your name, address, phone, fax, and email here:

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\_\_\_\_\_  
\_\_\_\_\_

PERSONAL & CONFIDENTIAL

Contact: \_\_\_\_\_

Re: Equipment Tour, Possible Manufacturing License and Confidentiality

Dear \_\_\_\_\_:

Thank you for your interest in a possible manufacturing license from Crumb Rubber Granulator, LLC ("CRG") of its patented Tire Rubber Granulator (the "Equipment") (such possible license is referred to herein as the "Transaction"). This letter does not commit either CRG or you to the possible Transaction, but rather serves as a basis for commencing discussion and for the disclosure and protection of certain confidential information of CRG. As used herein, any reference to "you," "your," etc., shall include the person to whom this letter is addressed, the business or company which you represent and all employees, officers, directors, representatives and agents of such business/company.

1. Upon your acceptance of this letter agreement and payment of the Demonstration Fee (described below), CRG will provide the following, subject to the terms hereof:

a. An in-person demonstration and tour of the Equipment and related facilities for up to any number of your personnel at a location in Pennsylvania to be identified by CRG (the "Tour"). You will be responsible for all travel, lodging, meal and other expenses of your personnel to participate in the Tour. CRG will be responsible for all expense of CRG's own personnel and the Equipment to provide the Tour;

b. The Tour will include technical conversation, dialog on CRG's operating experience with the Equipment to date, permission to take photographs of the Equipment, and a partial dismantling of the Equipment, if requested. The total duration of the Tour will be eight (8) hours, during the course of one (1) business day;

c. A copy of the Equipment's patent(s); and

d. Other materials deemed relevant by CRG in the context of your proposed Transaction.

2. Concurrently with your acceptance of this letter agreement, you will need to pay to CRG a non-refundable demonstration fee of \$1,000.00 (U.S.) (the "Demonstration Fee"). This will compensate CRG for its time and expense in scheduling the Tour and providing the Tour items listed in Section 1 above. If CRG and you enter into the Transaction, the Demonstration Fee paid by you will be credited toward the fee(s) payable to CRG in the Transaction.

3. As used in this letter, the term "Confidential Information" shall mean:

a. any CRG business or Equipment materials, specifications and/or summaries previously, concurrently or hereafter given to or obtained by you;

b. all information and documents provided and all photographs (or other reproductions, images or recordings) obtained during, as part of or resulting from the Tour, relating to CRG, its business and/or the Equipment;

c. all other business records, reports, financial information, intellectual property, trademarks, copyrights, patents, trade secrets, concepts and ideas embodied in such intellectual property, licenses, customer and supplier data and information, contracts and arrangements, materials, data, procedures and plans, including (without limitation) plans for new products, time-lines, and manufacturing, distribution and marketing strategies; and

d. the terms of this letter and the knowledge that you and CRG are considering the possible Transaction.

You agree to treat all Confidential Information as strictly confidential and not to disclose any Confidential Information to any third party (other than your employees and agents who need to know the particular Confidential Information for purposes of your evaluation of the possible Transaction) without the prior written consent of CRG, unless otherwise required by law. You will use the Confidential Information solely for the purpose of evaluating the possible Transaction and for no other purpose whatsoever. Except as provided in Section 1 above, CRG will have no obligations hereunder to provide any Confidential Information. If you are required by law to disclose Confidential Information, you shall, prior to such disclosure, first notify CRG in writing of the disclosure requirement, the particular Confidential Information you intend to disclose, the intended recipient and the intended date of disclosure, which shall not be less than twenty (20) days from the date of such notice.

4. In the event a final Transaction agreement is not executed within 120 days of this letter, or, if sooner, upon the termination of discussions between you and CRG concerning the possible Transaction, you will promptly return to CRG all Confidential Information, including all copies thereof and analyses or extracts made therefrom, or will dispose of such items as directed by CRG. Either CRG or you may end all discussions, at any time, between us concerning the possible Transaction.

5. It is understood that CRG makes no representations or warranties, whether express or implied, concerning the Equipment or any Confidential Information provided to you, and that any and all representations and warranties shall be set forth solely in a final, signed Transaction agreement and then shall be subject to the provisions thereof. Except as may be provided a final, signed Transaction agreement, you agree that neither CRG nor its shareholders, officers, directors, employees or representatives shall have any liability to you resulting from your use of Confidential Information.

6. Without prejudice to the rights and remedies otherwise available to CRG, it is understood and agreed that money damages would not be a sufficient remedy for breach of the terms and conditions of this letter and that CRG shall be entitled to equitable relief by way of preliminary and/or permanent injunction or specific performance if you or any of your employees, agents or representatives breach or threaten to breach any of the provisions of this letter. If any provision of this letter is determined to be unreasonable and unenforceable, such provision shall be deemed to be modified only to the extent necessary to make it reasonable and enforceable.

7. As used herein, the word "including" is intended to be exemplary and inclusive of the word or phrase it modifies, and not exclusive or limiting. In the event of litigation arising from this letter, the prevailing party shall be entitled to collect its reasonable legal fees and expenses. The obligations of all persons and entities, if more than one, comprising you hereunder shall be joint and several. Exclusive jurisdiction for any dispute hereunder shall be with the Pennsylvania Court of Common Pleas of Lancaster County, Pennsylvania, and both CRG and you waive any right to a jury trial in that regard. This letter shall be governed by Pennsylvania law, notwithstanding any conflict of law rules.

8. This letter is not intended by the parties hereto to bind either to negotiating or consummating the possible Transaction or to grant any exclusive rights. However, the parties intend to be legally bound by the terms of this letter agreement, which shall survive any termination of discussions between CRG and you and any failure of the parties for any reason to consummate the possible Transaction. The rights and obligations of CRG and you under this letter shall inure to the benefit of and be binding upon CRG and you and our respective successors and permitted assigns. You may not assign its rights and obligations hereunder except with the prior written consent of CRG.

Please confirm your agreement with the foregoing by signing and returning to the undersigned a duplicate copy of this letter with your check for US\$1,000 payable to Crumb Rubber Granulator, LLC. If your payment is accepted by us we will then get back to you within 30 days to make arrangements for demonstration and tour as discussed above. Call 717-575-9007 for mailing address.

Sincerely,  
Crumb Rubber Granulator, LLC

By:  CFO

Accepted and agreed by:  
Your Business Name \_\_\_\_\_

By: Your Signature \_\_\_\_\_

Print Your Name: \_\_\_\_\_ Title: \_\_\_\_\_