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|  | **Confidentiality Agreement** | | | 1 of 3 |
| **Contract Information** | | | | |
| 1. **Client:** | **Philip Morris Products S.A.** | **with offices at:** | Avenue de Rhodanie 50, 1007 Lausanne, Switzerland | |
| 1. **Counterparty:** | **[Name of Counterparty in bold]** | **Registered office:** | [Counterparty’s address, including country]. | |
| 1. **Discussions:** | [enter a description of the discussions] | | | |
| 1. **Effective Date:** | [enter the date from which the contract is to be effective] | | | |
| The parties signing below enter into a contract incorporating the terms above (Contract Information) and the terms attached entitled “Terms and Conditions”:  **Client**  By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  **Counterparty**  By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  ───────────────── The parties should read and initial each page ───────────────── | | | | |

**Terms and Conditions**

This Agreement is made by:

1. the **Client**; and
2. the **Counterparty**

(each a “**Party**”, together referred to as the “**Parties**”).

The Parties agree as follows:

1. **Definitions**

In this Agreement:

“**Affiliate**” means any entity that, either directly or indirectly, controls, is controlled by, or is under common control with, the relevant party, where “control” means the ability to direct the affairs of another.

“**Agreement**” means this Agreement, consisting of the Contract Information and these Terms and Conditions.

“**Asset**” means:

* + 1. any item or element of hardware, software or equipment that is or may be used for the purpose of creating, accessing, processing, protecting, monitoring, storing, retrieving, displaying or transmitting data of any type (including voice); and
    2. any documentation (in whatever medium) that relates to the use or operation of such items and elements.

“**Client**” means the person identified as such in the Contract Information.

“**Confidential Information**” means information (in any format – including electronically stored information and tangible embodiments in whatever form (including back-ups)) that falls within any of the following categories:

1. it relates to, includes or comprises the existence or terms and conditions (or both) of this Agreement;
2. it relates to the subject matter of the Discussions;
3. it is marked as “confidential” (or similar);
4. it is of a nature that a reasonable person would (in all the circumstances) consider confidential, including information concerning a Party’s business operations or affairs (including research and development efforts, inventions, drawings, models, trade secrets, know-how, recipes and formulae, products, processes, techniques, equipment, marketing, market opportunities, plans, intentions, relationships with suppliers and customers, finances, personnel, computer software, and algorithms);
5. similar information of third parties (including Affiliates) that a Party maintains in confidence; or
6. any combination of the foregoing.

“**Contract Information**” means the basic information about this Agreement as well as the execution of this Agreement, entitled “Contract Information” commencing on page 1 of this Agreement.

“**Counterparty**” means the person identified as such in the Contract Information.

“**Disclosing Party**” means a Party that, directly or indirectly:

* + 1. discloses Confidential Information; or
    2. enables a Receiving Party to access Confidential Information.

“**Discussions**” means the discussions identified as such in the Contract Information.

“**Effective Date**” means the day identified as such in the Contract Information.

“**Information Systems**” means information technology and communications systems, networks, services and solutions (including all Assets that either (a) form part of such systems and networks, or (b) are used in the provision of such services and solutions).

“**Intellectual Property Rights**” means all rights in any country or jurisdiction in patents, inventions, trade secrets and other rights in know-how, copyrights (including any extensions or renewals), rights affording equivalent protection to copyright, data, rights in database, registered designs, design rights, industrial designs and utility models, trademarks, trade names, trade dress, logos, domain names, business names and all registrations or applications to register any of the foregoing items.

“**Received Information**” means Confidential Information of the other Party either:

1. that, directly or indirectly, a Receiving Party receives;
2. to which, directly or indirectly, a Receiving Party is exposed; or
3. that, directly or indirectly, a Receiving Party has the ability to access.

“**Receiving Party**” means a Party that, directly or indirectly:

1. receives;
2. is exposed to; or
3. has the ability to access,

Confidential Information of the other Party.

“**Section**” means a section of these Terms and Conditions.

“**Terms and Conditions**” means these terms and conditions.

1. **Term and Termination**
   1. This Agreement shall be effective as of the Effective Date.
   2. Either Party may terminate the Discussions without prior notice for any reason at any time without any liability or restriction other than those contained in the provisions of Sections 3 and 4.
2. **Confidentiality**
   1. Each of the Parties acknowledges that, in the course of the Discussions, it is likely to receive or to be exposed to or to have the ability to access Confidential Information of the other Party, whether:
      1. in written or other materials;
      2. through the access of either Party’s personnel to the premises, equipment or facilities of the other Party (or any of its Affiliates);
      3. through the ability to access Information Systems of the other Party (or any of its Affiliates);
      4. by oral communication with employees, consultants, or agents of either Party (or any of their Affiliates); or
      5. otherwise.
   2. Each Receiving Party shall:
      1. not disclose to any third party that the Disclosing Party is interested in the subject matter of the Discussions or that either Party has contacted the other;
      2. hold all Received Information in strict confidence and keep it secure, applying to any Received Information at least the same standard of care with which it treats its own proprietary and confidential information (and in any case not less than a reasonable standard of care);
      3. seek to access Received Information, and use Received Information, in each case only:
         1. for the purposes of the Discussions; and
         2. in accordance with this Agreement;

and specifically refrain from seeking to access Received Information, and from using Received Information, for its own or any third party’s benefit or in any other manner not authorized in writing by the Disclosing Party;

* + 1. disclose, or permit access to, Received Information only to persons who are its employees, or its independent contractors, who both:
       1. have a need to know the Received Information for the purposes of the Discussions or to advise in connection with the purposes of the Discussions (or both); and
       2. are subject to nondisclosure obligations substantially similar to those of this Agreement,

provided that a Party may disclose, or permit access to, Received Information also to its Affiliates and to their employees and independent contractors subject to such persons’ satisfying the conditions of sub-paragraphs (i) and (ii) of this subsection (d);

* + 1. return to the Disclosing Party (or, at the Disclosing Party’s request, destroy in such manner as not to allow its re-creation (to the extent possible) and confirm to the Disclosing Party the Receiving Party’s compliance with this obligation) within 14 days of the termination of the Discussions (or such earlier date as the Disclosing Party may reasonably request) all materials (in writing or otherwise, including copies) containing any Received Information, save that the Receiving Party may retain materials containing any Received Information to the extent required by law or any applicable governmental or regulatory authority and to the extent reasonable to permit the Receiving Party to keep evidence that it has performed its obligations under this Agreement, and the provisions of this Agreement shall continue to apply to any such materials retained by the Receiving Party; and
    2. notify the Disclosing Party immediately if the Receiving Party is requested or required to disclose, or permit access to, any Received Information to a third party in connection with any civil or criminal investigation or any judicial or administrative proceeding, so that the Disclosing Party may if it chooses seek an appropriate protective order.
  1. Notwithstanding Section 3.2, a Receiving Party’s obligations of confidentiality contained in this Agreement shall not apply:
     1. to the extent required by law, by any court of competent jurisdiction, or by an official regulatory body; or
     2. to information that:
        1. at the time of disclosure was in the public domain or comes into the public domain other than through breach of this Agreement by the Receiving Party;
        2. was known by the Receiving Party (as established by its own records or other competent proof) before the Receiving Party received the Received Information, or was exposed to it, or had the ability to access it; or
        3. is lawfully disclosed to the Receiving Party by a third party acting in good faith and not bound by a confidentiality obligation.
  2. The obligations of confidentiality contained in this Agreement shall continue in force indefinitely.
  3. The Parties acknowledge that either Party’s breach of this Section 3 would cause the other Party irreparable injury for which damages would not be an adequate remedy. Therefore, in the event of such breach, the non-breaching Party may seek injunctive relief in addition to any other remedies it may have.
  4. Nothing in this Agreement shall prevent the Parties from disclosing the terms of this Agreement, including the other Party’s identity, if necessary, to any government agency or official that, in the Disclosing Party’s reasonable opinion, has a legitimate legal right to know. Before any such disclosure, the Disclosing Party shall inform the other Party and give it a reasonable opportunity to dispute such disclosure.

1. **Intellectual Property**
   1. The Receiving Party shall acquire no Intellectual Property Rights in the property of the Disclosing Party in connection with the Discussions.
   2. Without prejudice to Section 3, the Counterparty shall, prior to disclosing to third parties any Intellectual Property Rights created in connection with the Discussions, consult with the Client on the possibility and details of registration.
2. **Miscellaneous**
   1. This Agreement does not oblige either Party or (the Client’s Affiliates) to enter into any further agreement with each other.
   2. This Agreement shall not be modified or amended except by an agreement in writing signed by the Parties.
   3. This Agreement represents the entire agreement between the Parties and supersedes all contracts, arrangements and negotiations between the Parties on the subject matter of this Agreement.
   4. The validity, construction and performance of this Agreement shall be governed by the laws of Switzerland without regard to its conflict of law provisions and shall be subject to the exclusive jurisdiction of the competent courts of the capital town of the canton of the Client’s registered office.

The Parties have executed this Agreement in the Contract Information.