

**DRAFT**

March 3, 1986

Mobil Corporation  
150 East 42nd Street  
New York, New York 10017

Gentlemen:

In order to enable representatives of R. J. REYNOLDS TOBACCO COMPANY (hereinafter "Reynolds") to have discussions with MOBIL CORPORATION (hereinafter "Mobil") to determine whether Mobil will perform services for Reynolds, it will be necessary to make available to Mobil valuable confidential information including data, concepts, specifications and materials concerning Reynolds' new products developments (hereinafter "Proprietary Information"). Such Proprietary Information will be disclosed to Mobil upon the following terms and conditions:

1. Mobil acknowledges that disclosure of Proprietary Information by Mobil to third parties would cause Reynolds substantial and irreparable injury. Mobil agrees that it will not disclose Proprietary Information to any third party without the prior written approval of Reynolds. Such Proprietary Information shall be restricted to those Mobil employees on a strict need to know basis. Each Mobil employee receiving Proprietary Information shall be apprised of the confidentiality obligations set forth herein. Mobil shall use its best efforts to establish and maintain security procedures with respect to such Proprietary Information which are at least as strict as those utilized by Mobil to protect its own most closely guarded secrets.

2. Mobil agrees that Proprietary Information shall be used by Mobil solely for the purpose of evaluating Mobil's capabilities and interest in performing services for Reynolds.

50504 7412

3. Mobil agrees to return all written material containing Proprietary Information to Reynolds at its request including any summaries, records, descriptions, and copies of Proprietary Information.

4. Mobil shall not disclose to any third parties the fact that it is performing services for Reynolds or the nature of such services.

5. Nothing contained in this Agreement shall in any way restrict or impair Mobil's right to use, disclose or otherwise deal with any information or data which:

(a) at the time of disclosure by Reynolds is generally available to the public or thereafter becomes available to the public through no act of Mobil;

(b) Mobil can demonstrate was in its possession prior to the time of disclosure by Reynolds and was not acquired directly or indirectly from Reynolds or any person, firm or corporation acting on its behalf;

(c) is independently made available as a matter of right to Mobil by a third party who is under no confidentiality obligation to Reynolds.

6. Mobil's obligations of nondisclosure as set forth in this Agreement shall survive for a period of ten (10) years from the date of this Agreement.

7. Nothing herein shall be construed to grant any right or license under any Reynolds patent or trade secret.

If the above is acceptable to you, please have both copies of this agreement signed by an appropriate officer of your company and return one copy for our files.

Sincerely,

R. J. REYNOLDS TOBACCO COMPANY

By: \_\_\_\_\_

Agreed and accepted this

\_\_\_\_ day of \_\_\_\_\_, 1986

MOBIL CORPORATION

By: \_\_\_\_\_

50504 7414