NON-DISCLOSURE AND NON-USE AGREEMENT
(Special License Rights)

1. The United States Government solicitation DAAE20-03-T-0107 for the procurement of 100 each Housing, Trigger includes proprietary technical data and confidential information (hereinafter collectively referred to as "data") of FN Herstal, S.A., located at Voie de Liege 33, B4040 Herstal, Belgium (hereinafter referred to as "FNH")

2. The undersigned, as an authorized representative of _____(insert company name) (hereinafter "the recipient"), in consideration of being furnished with FNH's data related to the _____ (insert M240 medium machine gun configuration) Weapon, hereby agrees that the recipient will only use the said data for the purpose of responding to a Government solicitation or performing a resultant government contract.

3. Prior to receipt of the referenced solicitation containing FNH's data, the recipient shall sign and provide an original copy of this Non-Disclosure and Non-Use Agreement to the United States Government contracting officer/office responsible for the solicitation. The United States Government shall provide FNH a copy of the present agreement after award (or cancellation) of the referenced solicitation.

4. The recipient shall not, without prior written permission of FNH, provide or disclose any of such data to any other company, person, or entity, except recipient's subcontractors and vendors. The recipient agrees that providing or disclosing such data to any such subcontractor or vendor shall be accomplished only for the purpose stated herein, to respond to a Government solicitation or perform a resultant Government contract, and shall not occur until such subcontractor or vendor has first executed a like Non-Disclosure and Non-Use Agreement as this agreement.

5. The recipient acknowledges that this agreement grants it no rights to commercial uses of any such data received pursuant to this agreement.

6. The recipient agrees to adopt operating procedures and physical security measures designed to protect the data from disclosure or release to unauthorized third parties.

7. The recipient agrees to promptly destroy all of FNH's data received under the referenced solicitation (and any copies made of such data) when the purpose of this agreement is fulfilled. The recipient further agrees to certify in writing, in the form of a Certificate of Destruction, to the Government as to the destruction of the data. Included with the return of this Certification of Destruction, the recipient shall provide the contracting officer responsible for issuance of this Non-Disclosure and Non-Use Agreement, a list of the names and addresses of subcontractors and vendors which received a copy of the technical data package or part of the technical data package provided with the solicitation referenced herein. Nothing herein shall be interpreted to authorize the Government to release to FNH any information that is proprietary to the recipient.

8. The recipient agrees to indemnify the United States Government, and its agents and employees, from all liability arising out of, or in any way related to, the misuse or unauthorized disclosure by the recipient, its employees or agents, of any such data it receives. The recipient will hold the United States Government, and its agents and employees, harmless against every such claim or liability, including attorney fees, costs, and expenses, arising out of the misuse or unauthorized disclosure of any such data supplied to the recipient hereunder.

9. Execution of this Non-Disclosure and Non-Use Agreement by the recipient or any of its authorized subcontractors or vendors is for the benefit of FNH, which is a third party beneficiary of this Non-Disclosure and Non-Use Agreement and FNH shall have the right to direct action against the recipient to enforce such agreement or to ask for damages which may result from any material breach of this agreement.

10. The requirements contained in this agreement shall be effective only for so long as such data remains unpublished, as the term unpublished is defined by FNH or specified by a contract between FNH and the United States Government, or as shown in a legend appearing on such data, whichever of the above events shall occur first.

11. Notwithstanding the foregoing, any obligation of confidentiality by this agreement shall not extend to proprietary information:

(i) Which is legally and without restriction in the possession of recipient, the Government, or its employees or contractors prior to the date of receipt hereunder from the United States Government or from FNH;

(ii) Which enters the public domain at any time through no fault of the recipient, the Government, or its employees, agents or contractors; or

(iii) Which is disclosed by a third party without restriction or without breach of this agreement and without inducement by the recipient or the Government of such party to breach any agreement or obligation of confidentiality.

12. Signature:

_____
Name of Recipient

_____
Signature

_____
Typed Name

_____
Title

_____
Date

_____
Address of Recipient

_____
Solicitation Number

Fax signed copy of Non-Disclosure and Non-Use Agreement to (309)782-4399, Attn: Betty Foulks.