

NON-DISCLOSURE AGREEMENT

THIS NON-DISCLOSURE AGREEMENT ("Agreement") is made and entered into as of the _____ day of _____, 20__ by and between _____, a _____ ("Company"), and DocMagic, Inc., a California corporation dba Document Systems, Inc. ("DSI").

RECITALS

A. DSI and Company are entering into discussions and negotiations relating to establishing a business relationship in connection with, among other things, the preparation and delivery of mortgage loan documents, and such other matters as DSI and Company may from time to time determine necessary or desirable (the "Permitted Purpose"); and

B. In order to facilitate such discussions and negotiations, DSI and Company must from time to time disclose and give access to the other party certain Confidential Information (as defined below); and

C. DSI and Company are willing to disclose to the other party such Confidential Information but only upon the agreement of the other party to receive and hold such information in accordance with the covenants, agreements and restrictions set forth in this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

Section 1. The party disclosing its Confidential Information to the other party hereto shall be defined as the "Disclosing Party," and the party receiving Confidential Information from the Disclosing Party shall be defined as the "Receiving Party." The Receiving Party hereby acknowledges, understands and agrees that all Confidential Information (as defined below) is the exclusive and confidential property of the Disclosing Party and shall be at all times regarded, treated and protected as such in accordance with this Agreement. "Confidential Information" shall mean information, whether or not originated by the Disclosing Party, which is used in the Disclosing Party's business and is (i) proprietary to, about or created by the Disclosing Party; (ii) gives the Disclosing Party some competitive business advantage or the opportunity of obtaining such advantage or the disclosure of which could be detrimental to the interests of the Disclosing Party; (iii) designated as Confidential Information by the Disclosing Party, or from all the relevant circumstances should reasonably be assumed to be confidential and proprietary to the Disclosing Party; or (iv) not generally available to the public. Failure to indicate that information is "confidential" shall not affect the confidential nature of such information if the information would otherwise be confidential pursuant to this Agreement or under applicable law. Confidential Information includes, but is not limited to, the following types of information and other information of a similar nature (whether furnished or prepared before or after the date of this Agreement, whether furnished or prepared orally, electronically, in writing or gathered by inspection, and regardless of whether or not specifically identified as "confidential"):

a. Computer software of any type or form in any stage of actual or anticipated research and development, including but not limited to programs and program modules, routines and subroutines, processes, formulae, novel techniques and methodologies, algorithms, design concepts, design architecture, design specifications (design notes, annotations, documentation, flowcharts, coding sheets, drawings, models and the like), testing procedures, source code, object code and load modules, programming, program patches and system designs;

b. Information relating to the Disclosing Party's proprietary rights or "know how" prior to any public disclosure thereof, including but not limited to the nature of the proprietary rights or "know how," production data, technical and engineering data, test data and test results, the status and details of research and development of products and services (including, but not limited to, interim and final lines of inquiry, hypotheses, research and conclusions related thereto and the methods, processes, procedures, analysis, techniques and audits used in connection therewith), and information regarding acquiring, protecting, enforcing and licensing proprietary rights (including patents, copyrights and trade secrets);

c. Internal personnel and financial information, vendor names and other vendor information (including vendor characteristics, services and agreements), purchasing and internal cost information, internal services and operational manuals, business practices and methods, and policies and procedures, in each case as they relate to the Disclosing Party;

d. Marketing and development plans, domain names, price and cost data, price and fee amounts, pricing and billing policies, quoting procedures, bidding policies and procedures, marketing techniques and methods of obtaining business, sales aids and techniques, forecasts and forecast assumptions and volumes, and potential future marketing and strategic plans and strategies of the Disclosing Party which have been or are being discussed;

e. Customer lists, lead lists, names of customers and leads, customer addresses, customer telephone numbers and customer email addresses, lead addresses, lead telephone numbers, lead email addresses, the identities of customer and lead representatives, customer and lead contacts, customer and lead financial histories, customer contracts and their contents and the parties thereto, customer services, lead services, notes of customer and lead conversations, the type, quantity and specifications of products and services purchased, leased, licensed or received by the Disclosing Party's customers, clients and leads, and any and all related information;

f. Information provided by the Disclosing Party's customers, clients and leads (including but not limited to "Nonpublic Personal Information" as defined in section 509 of the Gramm Leach Bliley Act (P.L. 106-102) and any federal regulations that implement that Act);

g. Inventions, discoveries, improvements, creations and trade secrets;

h. Any and all copies, reproductions, notes, analyses, compilations, studies, interpretations and summaries of any of the above items, regardless of who prepared them.

Section 2. Notwithstanding the foregoing, the term "Confidential Information" shall not include information or materials that: (i) become generally available to the public other than as a result of disclosure by the Receiving Party or from a third party having an obligation of confidence to the Disclosing Party; (ii) were available to the Receiving Party from a third party not having an obligation of confidentiality to the Disclosing Party prior to disclosure to the Receiving Party by the Disclosing Party; (iii) become available to the Receiving Party from a third party not having an obligation of confidentiality to the Disclosing Party; or (iv) were independently developed by the Receiving Party without the use of the Disclosing Party's Confidential Information. The phrase "generally available to the public" as used in this Agreement shall mean readily accessible to the public in a written or electronic publication, and shall not include information, which is only available by a substantial searching of the published literature, and information the substance of which must be pieced together from a number of different publications and sources. The burden of proving that information or materials are not Confidential Information shall be on the party asserting such exclusion.

Section 3. The Receiving Party may disclose Confidential Information only to those officers, employees, agents, and representatives of the Receiving Party who have a need to know such information for the Permitted Purposes, and to any other party with the Disclosing Party's prior written consent. The Receiving Party shall be responsible for any breach of the confidentiality provisions of this Agreement by the Receiving Party's directors, officers, employees, agents and representatives. The Receiving Party shall use the Confidential Information for the Permitted Purpose only and for no other purpose. No right, title or interest in and to the Confidential Information is transferred by the Disclosing Party to the Receiving Party pursuant to this Agreement.

Section 4. All communications regarding the Receiving Party's requests for Confidential Information shall be submitted or directed to the Disclosing Party or to such representatives of the Disclosing Party as it shall designate. Under no circumstances shall the Receiving Party contact or deal with, directly or indirectly, any other person or entity in connection with the Confidential Information without the Disclosing Party's prior written consent.

Section 5. The Receiving Party shall retain all Confidential Information in strict confidence and shall not disclose, and shall direct its directors, officers, employees, agents, and representatives not to disclose, the Confidential Information or any of the following information to any person or entity not a party to this Agreement: (i) the fact that discussions or negotiations are taking place concerning a potential business relationship between the Receiving Party and the Disclosing Party; (ii) that Confidential Information has been made available to the Receiving Party; or (iii) any information regarding the nature of the subject of this Agreement.

Section 6. If the Receiving Party is requested or required (by oral questions, interrogatories, requests for information or documents, subpoena, civil investigative demand or similar process) to disclose any information supplied to them pursuant to this Agreement, the Receiving Party shall provide the Disclosing Party with prompt notice of such request(s) so that the Disclosing Party may seek an appropriate protective order and/or waive compliance with the provisions of this Agreement. The Receiving Party agrees to cooperate with the Disclosing Party, at the Disclosing Party's expense, in obtaining such a protective order. If the Disclosing Party does not provide such protective order or waiver within a reasonable time after such notice, the Receiving Party requested or required to disclose such Confidential Information to such court may do so without liability hereunder, provided that the Receiving Party has complied with the notice provisions of this Agreement, and provided further that the Receiving Party has received an opinion of counsel that concludes that such disclosure is legally required.

Section 7. At the Disclosing Party's request, the Receiving Party shall promptly destroy or deliver to the Disclosing Party, or cause to be destroyed or delivered to the Disclosing Party, all materials received from the Disclosing Party that contain any Confidential Information and shall keep confidential or destroy, as the Disclosing Party deems appropriate, any of the Confidential Information created by the Receiving Party or any of its directors, officers, employees, agents and representatives, including, but not limited to, any written notes, memoranda, photocopies, computer generated data or other similar repositories (other than general references to the Confidential Information contained in board of directors minutes or papers or senior executive management committee minutes or papers of the Receiving Party, each of which shall nonetheless be considered Confidential Information for purposes of this Agreement with respect to such reference). In the event of destruction, an officer of the Receiving Party shall certify that all Confidential Information has been destroyed.

Section 8. The Receiving Party understands, acknowledges and agrees that neither the Disclosing Party nor its officers, directors, employees, agents or representatives make any representation or warranty, express or implied, as to the accuracy or completeness of the Confidential Information. The Receiving Party acknowledges and agrees that neither the Disclosing Party nor its officers, directors, employees, agents or representatives shall have any liability to the Receiving Party or any of their respective directors, officers, employees and representatives resulting from the use of or reliance on the Confidential Information by the Receiving Party or its directors, officers, employees, agents, and representatives.

Section 9. No failure or delay by the Disclosing Party or its officers, directors, employees, agents or representatives in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any right, power or privilege.

Section 10. The restrictions and obligations set forth in this Agreement shall continue in full force and effect for a period of five (5) years from the date of this Agreement or until such time as the Confidential Information becomes generally known to, or is readily ascertainable by proper means by, third parties not having an obligation of confidentiality to the Disclosing Party with respect to the Confidential Information, whichever is later.

Section 11. The Receiving Party acknowledges that the Confidential Information is proprietary to, and has competitive value and constitutes a value asset of, the Disclosing Party. The Receiving Party further acknowledges that the Disclosing Party shall incur irreparable damage if the Receiving Party should breach any of the provisions of this Agreement. Accordingly, if the Receiving Party or any of its respective agents or representatives breaches or threatens to breach any of the provisions of this Agreement, the Disclosing Party shall be entitled, without prejudice, to all the rights, damages and remedies available to it, including an injunction (without any bond or other security being required therefor) restraining any breach of the provisions of this Agreement by the Receiving Party or its agents or representatives.

Section 12. Neither this Agreement nor the disclosure or receipt of the Confidential Information or any other activity contemplated hereunder shall constitute or imply any promise or intention to make or purchase any products or services by the parties hereto.

Section 13. During the term of this Agreement and for a period of twelve (12) months after the termination of this Agreement for any reason, neither party to this Agreement shall offer, promise, or solicit for employment any employee of any other party hereto without such party's prior written consent. This restriction shall not apply to an employee who independently responds to indirect solicitations (such as general newspaper advertisements, employment agency referrals and internet postings) not addressed to or targeting such employee specifically.

Section 14. Each of the parties to this Agreement agrees that neither the holding of discussions nor the furnishing of Confidential Information shall be construed as an obligation to refrain from engaging at any time in any business similar or dissimilar to the business matters discussed by the parties.

Section 15. No notice or other communication shall be deemed given unless sent in any of the manners, and to the persons, as specified in this paragraph. All notices, requests, demands and other communications hereunder shall be in writing and shall be deemed given: (a) upon receipt if delivered personally (unless subject to clause (b)) or if mailed by registered or certified mail return receipt requested); (b) at noon on the business day after dispatch if sent by a nationally recognized overnight courier; or (c) upon the completion of transmission (which is confirmed by telephone or by a statement generated by the transmitting machine) if transmitted by telecopy or other means of facsimile which provides immediate or near immediate transmission to compatible equipment in the possession of the recipient, in any case to the parties at the addresses or telecopy numbers as specified below (or at such other address or telecopy number for a party as shall be specified by like notice):

if to DSI: Document Systems, Inc.
20501 S. Avalon Blvd., Suite B
Carson, California 90746
Attention: Don Iannitti
Telephone Number: (800) 649-1362
Fax: (800) 564-1362

if to Company: _____

Section 16. Neither party to this Agreement shall have the right to assign or transfer this Agreement or any rights or obligations hereunder to any other party without the prior written consent of the other party, which consent may be withheld in such party's sole discretion. Any change in the ownership of a party as of the date of this Agreement, whether by merger, stock acquisition or otherwise, shall be deemed to be an attempted assignment of this Agreement. Subject to the foregoing, this Agreement shall be binding upon each of the parties and their permitted successors and assigns.

Section 17. This Agreement shall be governed by and construed in accordance with the laws of the State of California without regard to its conflicts of law principles. Each of the parties submits to jurisdiction in California and further agrees that any cause of action arising under this Agreement shall be brought in the appropriate court in Los Angeles County, California. If any legal action or other proceeding is brought for the enforcement of this Agreement, or because of an alleged dispute, breach, default, or misrepresentation in connection with any of the provisions of this Agreement, the prevailing party(ies) shall be entitled to attorneys' fees and other costs incurred in that action or proceeding, in addition to any other relief to which it or they may be entitled.

Section 18. This Agreement may be signed in counterparts with the same effect as if both parties had signed one and the same document.

Section 19. If any provision of this Agreement is held to be invalid or unenforceable for any reason, such provision shall be conformed to prevailing law rather than voided, if possible, in order to achieve the intent of the parties and, in any event, the remaining provisions of this Agreement shall remain in full force and effect and shall be binding upon the parties hereto.

Section 20. All provisions, which by their nature should survive the termination of this Agreement, shall survive the termination of this Agreement for any reason.

Section 21. This Agreement sets forth the entire understanding of the parties with respect to the subject matter of this Agreement and supersedes all prior oral or written agreements, understandings and negotiations with respect to the subject matter hereof. Any amendment to this Agreement must be in writing and signed by both parties.

Section 22. Each party has cooperated in the drafting and preparation of this Agreement and this Agreement shall not be construed against or in favor of any party.

Section 23. Neither party shall be liable to the other for any failure or delay in performance due to force majeure, including but not limited to strikes, accidents, acts of God, threats or acts of terrorism, or other delays beyond the reasonable control of the party who fails or delays in performance, and any party's failure or delay in performance due to any cause of force majeure shall not constitute a default under this Agreement.

Section 24. Each party agrees to execute and deliver such instruments and take such actions as the other may, from time to time, reasonably request in order to effectuate the purpose and to carry out the terms of this Agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed by their duly authorized representatives as of the date first written above.

DocMagic, Inc. dba Document Systems, Inc.

By: _____
Name: Don Iannitti
Title: President

Company

By: _____
Name: _____
Title: _____