

## NONDISCLOSURE AGREEMENT

This Agreement is made between you (the individual accessing the Confidential Information and any single legal entity on behalf of which you are acting) (“Recipient”) and Lantronix, Inc., a Delaware corporation having its principal place of business at 7535 Irvine Center Drive, Suite 100, Irvine, California 92618, U.S.A. (“Lantronix”).

IT IS IMPORTANT THAT YOU READ CAREFULLY AND UNDERSTAND THIS AGREEMENT. BY CLICKING THE “I ACCEPT” BUTTON, YOU AGREE TO BE BOUND BY THIS AGREEMENT. IF YOU DO NOT ACCEPT THIS AGREEMENT, YOU MAY NOT USE OR ACCESS THE CONFIDENTIAL INFORMATION.

**1. Purpose.** The parties wish to explore a business opportunity of mutual interest (the “Purpose”), and in connection with the Purpose, Lantronix may disclose to Recipient certain information that is non-public, confidential, or proprietary in nature, and which Lantronix desires Recipient to treat as confidential.

**2. Confidential Information.** Except as set forth in Section 3 below, “Confidential Information” means all non-public, confidential or proprietary information disclosed by Lantronix to Recipient, or to Recipient’s affiliates, or to any of Recipient’s or its affiliates’ employees, officers, directors, partners, shareholders, agents, contractors, attorneys, accountants or advisors (collectively, “Representatives”), whether disclosed directly or indirectly, in writing, orally, or by inspection of tangible objects including, without limitation, documents, prototypes, samples, plant and equipment, research, product plans, products, services, customer lists, software, developments, inventions, processes, designs, drawings, engineering, hardware configuration, marketing materials or finances, whether or not such information is marked, designated or otherwise identified as “Confidential,” “Proprietary” or with some similar designation (it being understood that any such designation shall not be required in order for information to be considered Confidential Information hereunder). Information communicated orally by Lantronix shall be considered Confidential Information if by its nature should be understood as being confidential or proprietary. Confidential Information may also include, without limitation, any information disclosed to Lantronix by third parties, and which is then disclosed by Lantronix to Recipient.

**3. Exclusions from Confidential Information.** Confidential Information shall not include information that: (a) was publicly known and made generally available by Lantronix in the public domain prior to the time of disclosure hereunder; (b) becomes publicly known and made generally available after disclosure by Lantronix to Recipient hereunder through no action or inaction of Recipient; or (c) is independently developed by Recipient without use of or reference to Lantronix’ Confidential Information, as shown by documents and other competent evidence in Recipient’s possession.

**4. Non-use and Non-disclosure.** Recipient shall refrain from using the Confidential Information for any reason other than the Purpose. Recipient shall not disclose any Confidential Information to third parties. Recipient shall not reverse engineer, disassemble or decompile any prototypes, software or other tangible objects that embody the Confidential Information, and which are provided to Recipient by Lantronix hereunder.

**5. Required Disclosure.** Recipient may disclose Confidential Information if and only to the extent that such disclosure is required pursuant to applicable federal, state or local law, regulation or a valid order issued by a court or governmental agency of competent jurisdiction (a “Legal Order”); provided, however, that Recipient shall: (a) notify Lantronix in writing of such requirement prior to disclosing and provide Lantronix a reasonable opportunity to (i) review the Legal Order and potential disclosure and to interpose its own objection to any such disclosure and (ii) seek a protective order or other appropriate relief; and (b) disclose only such information as is required by the governmental entity or as otherwise required by law. Notwithstanding the foregoing, any Confidential Information disclosed by Recipient pursuant to any Legal Order shall continue to be considered Confidential Information and subject to the protections under this Agreement.

**6. Maintenance of Confidentiality.** Recipient shall take reasonable measures to protect the secrecy of and avoid disclosure and unauthorized use of the Confidential Information. Without limiting the foregoing, Recipient shall protect and safeguard the confidentiality of all such Confidential Information with at least the same degree of care as Recipient would use to protect its own confidential or proprietary information, but in no event with less than a

commercially reasonable degree of care. Recipient shall promptly notify Lantronix, in writing, of any misuse or misappropriation of Confidential Information of which Recipient becomes aware. Recipient may disclose Confidential Information only to those Representatives who are required to have the information in order to evaluate or engage in discussions concerning the Purpose; provided, that any such Representatives shall be bound by restrictions at least as protective of the Confidential Information as those restrictions contained herein. Recipient shall remain responsible for compliance with the terms of this Agreement by its Representatives.

**7. No Other Obligation.** Nothing herein shall obligate either party to proceed with any transaction between them, and each party reserves the right, in its sole discretion, to terminate the discussions contemplated by this Agreement concerning the Purpose.

**8. No Warranty.** ALL CONFIDENTIAL INFORMATION AND OTHER INFORMATION DISCLOSED HEREUNDER IS PROVIDED "AS IS." LANTRONIX DOES NOT MAKE, AND SPECIFICALLY AND EXPRESSLY DISCLAIMS, ANY WARRANTIES OF ANY KIND (EXPRESS, IMPLIED OR OTHERWISE) REGARDING THE TITLE, NON-INFRINGEMENT, FITNESS, QUALITY, ACCURACY, COMPLETENESS, USEFULNESS, SUITABILITY OR PERFORMANCE OF ANY CONFIDENTIAL INFORMATION OR OTHER INFORMATION DISCLOSED HEREUNDER.

**9. Return of Confidential Information.** All documents and other tangible objects containing or representing Confidential Information that have been disclosed by Lantronix hereunder, and all copies thereof that are in the possession of Recipient, whether in written, electronic or other form of media, shall be and remain the property of Lantronix. At any time during or after the term of this Agreement, upon Lantronix' written request, Recipient and its Representatives shall: (a) promptly return to Lantronix all copies of the Confidential Information, whether in written, electronic or other form of media, or destroy all such copies and certify in writing to Lantronix that such Confidential Information has been destroyed; and (b) destroy all copies of any internal notes and other materials generated in connection with the Confidential Information, and shall certify in writing to Lantronix that such copies have been destroyed.

**10. No Transfer of Rights, Title or Interest.** Lantronix hereby retains its entire right, title and interest, including all intellectual property rights, in and to all of its Confidential Information. Any disclosure of such Confidential Information hereunder shall not be construed as an assignment, grant, option, license or other transfer of any such right, title or interest whatsoever to Recipient or any of its Representatives.

**11. Export Control Laws and Regulations.** Each party to this Agreement acknowledges that the Confidential Information and any related materials or information provided hereunder may be subject to certain export control laws and regulations of the United States and other countries, and Recipient agrees to comply with all such export control laws and regulations, as applicable. Recipient will not export or re-export any of the Confidential Information or other related materials or information provided hereunder, directly or indirectly: (i) to any countries that are subject to United States export restrictions; (ii) to anyone for the development or production of nuclear, chemical or biological weapons; or (iii) to any party who has been prohibited by any federal agency of the U.S. government or applicable foreign agency from participating in import or export transactions without first obtaining an appropriate license or approval. These export requirements shall survive any expiration or termination of this Agreement.

**12. Term.** All provisions and obligations herein that are of a continuing nature shall survive until such time as all Confidential Information disclosed hereunder becomes publicly known and made generally available through no action or inaction of Recipient.

**13. Remedies.** Recipient expressly agrees that any violation or threatened violation of this Agreement may cause irreparable injury to Lantronix, and accordingly, Lantronix may seek injunctive relief in addition to all legal relief and remedies.

**14. Notices.** Any notices required to be given under this Agreement shall be deemed given upon the earlier of: (a) actual receipt of, or five (5) days after mailing by certified mail, return receipt requested; or (b) hand delivery by messenger or express service, to the addresses stated on the first page, or to such other address as the either party may specify to the other in writing from time to time.

**15. Assignment.** Recipient may not assign its rights or obligations under this Agreement without the

prior written consent of Lantronix. Any attempted assignment in violation of this Section 15 shall be null and void.

**16. Governing Law, Jurisdiction and Venue.** This Agreement shall be governed by and construed in accordance with the laws of the State of California, without reference to choice of, or conflict of laws principles. Recipient hereby consents to exclusive jurisdiction and venue for any disputes or controversies arising hereunder in the state and federal courts of Orange County, California, United States of America.

**17. Entire Agreement; Severability; Waivers.** This Agreement contains the entire agreement between the parties with respect to the subject matter hereof. The invalidity or unenforceability of any provision of this Agreement, or any of its terms or provisions, will not affect the validity of this Agreement as a whole, which will at all times remain in full force and effect. A delay or failure to enforce any provision of this Agreement will not constitute a waiver thereof or of any other provision. This Agreement may not be amended, nor any obligation waived, except by a writing signed by both parties hereto.

**18. Authority to Sign; Counterparts.** By signing this Agreement you represent that you are an authorized officer or agent of Recipient with the authority to enter into this Agreement and by doing so, you will not violate any law or agreement. This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original, but all of which together shall constitute the same agreement. This Agreement may be executed by exchange of signatures via facsimile, e-mail, or other electronic transmission.