

Confidentiality Policy

In our continued effort to maintain our competitive edge in an incredibly competitive market, as well as developing our efforts to ensure that Paragon Protective Coatings Ltd. ("Paragon") continues to employ large volumes of quality employees at competitive wages, we continue to make a number of changes to our employment policies, particularly with respect to the confidentiality of trade secrets developed and used at Paragon.

The confidentiality policy, is available from HSE Manager and is attached to this notice (the "Policy") seeks to clarify what are standard practices. Paragon wants to protect processes, tools, and most importantly methodology we use to make competitive bids to our customers, and we shall ensure proprietary technology and industry know-how remains the sole knowledge and property of Paragon and our affiliates, whether you are employed by Paragon or not. Failure to adhere to this policy may lead to disciplinary action, including termination of employment.

Though we have faith in the ability of our existing employees to keep information that is confidential in nature, we have to ensure that as we build to the future, we protect our increasing investment in intellectual property, processes and market strategies. To ensure proper adherence to this new level of competitive protection, we require that you review, sign and return the attached policy to management.

Please note that if you do not agree to the terms of the Policy and fail to return an initialed copy of the Policy to management, Paragon reserves the right to reconsider our obligations with respect to your continued employment with us. All new hires with Paragon will be required to accept the Policy as a term of their employment.

Thank you for assisting us in ensuring the continued success of Paragon and all our valued employees.

Damon Stewart
President

Employee Signature

Date



Confidentiality/ Non-Solicitation Agreement

1. Confidentiality

All employees acknowledge and agree that as a result of their employment with Paragon Protective Coatings Ltd. ("Paragon"), the Employee will acquire confidential information about Paragon that may be detrimental to Paragon if disclosed to third-parties who are not subject to this policy.

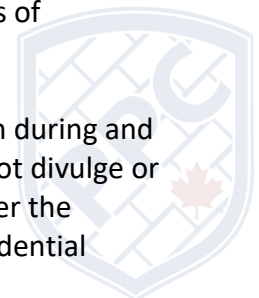
The confidential information includes any information not generally known to the public, including but not limited to:

- Information relating to customers, prospective customers, suppliers, profit and profit margins, pricing and price structures;
- Methods of doing business, business technology, project management, estimating and business developments;
- Databases, systems, software, spreadsheets, operations and business activities of Paragon;
- Trade-secrets and proprietary materials or processes;
- Copyright material, including information contained on Paragon's website;
- Information protected by intellectual property rights or other laws;
- Marketing techniques and proprietary information which relates to the conduct and details of Paragon's business; and
- Information subject to solicitor/client privilege (the "Confidential Information").

Employees further acknowledge and agree that the right to maintain such Confidential Information in confidence constitutes a proprietary right which Paragon is entitled to protect; that Paragon's competitive position may be compromised if employees disclose Confidential Information in violation of this Agreement; and that the use of any such Confidential Information personally or the release of it to outsiders without prior written consent from Paragon will be deemed as adequate cause for dismissal of the Employee.

Employees agree not to use the Confidential Information, except for the purposes of performing employment duties with Paragon.

Employees agree that the Confidential Information shall be kept confidential both during and after Termination of their employment, and the employees agree that they will not divulge or authorize anyone else to divulge, either directly or indirectly, both during and after the termination of their employment, knowledge or information relating to the Confidential Information unless required to do so bylaw.





Employees will take all necessary precautions against an unauthorized disclosure of the Confidential Information to any other party. Except as specifically provided for herein, employees will not, without limitation, directly or indirectly, disclose, allow access to, transmit or transfer Confidential Information to any person without Paragon's consent, or use or reproduce such Confidential Information, in any manner, except as reasonably required to fulfill the purpose and objectives of their employment.

Employees further acknowledges that, in the course of their employment with Paragon, any disclosure of Confidential Information will result in irreparable injury to Paragon which could not be adequately compensated by money damages if employees should enter into the employment or self-employment of a rival or competitive concern.

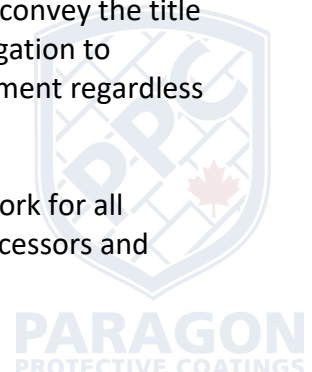
Employees also agree that nothing in this Agreement, or otherwise, will allow the employee to acquire any right, title or interest in or to any of the Confidential Information.

2. Company Property

Employees agree that upon termination of their employment for whatever cause or reason, they will deliver to Paragon (and will not keep in the employee's possession or deliver to anyone else) any and all devices, records, electronic files, data, customer and prospective customer information, notes, reports, proposals, lists, correspondence, specifications, drawings, blueprints, sketches, materials, equipment, and any other documents or property belonging to Paragon, and all copies and reproductions thereof, which have come into the employee's possession during the course of their employment with Paragon.

Employees acknowledges that in the course of their employment with Paragon, that the employee may conceive or make, invent or improve, or develop work to which the Copyright Act applies, or develop a process, machine or industrial design ("Work") that may directly or indirectly pertain to or be connected with their employment or the business of Paragon. The Employee acknowledges that any such Work will become the sole and exclusive property of Paragon, and the employee will, execute any and all applications, assignments and other instruments which Paragon deems necessary relating to any letters patent, trademark, copyright, or industrial design for Canada or any other country for any Work, to convey the title to the Work, and protect the proprietary rights of Paragon. The employee's obligation to execute the documents referred to continue beyond the termination of employment regardless of the cause or reason for which the Employee's employment is terminated.

The employee specifically waives all moral rights that they may acquire in any work for all purposes and for the full term of the moral rights in favor of Paragon and its successors and assigns.



3. Non-Solicitation

Employees agree that for a period of eighteen (18) months immediately following the Effective Date of this Agreement, the employee shall not either directly or indirectly solicit, induce, recruit, or encourage any of the Company's employees to leave their employment, or take away such employees, or attempt to solicit, induce, recruit, encourage, or hire employees of the Company, either for him/herself or any other person or entity.

4. Injunctive Relief

Employees acknowledge and agree that breaking the terms and conditions of this Agreement may cause irreparable harm to Paragon which may not be compensable by monetary damages and agree that, without prejudice to any remedies which may be available to Paragon at law or in equity, injunctive relief may be the only effective relief for a breach of the covenants of the employee. Employee agrees that Paragon will be entitled to injunctive relief, including an interim injunction, in any court of competent jurisdiction, to enforce any of the covenants of the Employee upon the breach or threatened breach of them, together with reimbursement for all legal fees and other expenses incurred in connection such enforcement on a solicitor and his own client, full indemnity basis.

I understand and agree with the forgoing terms and conditions related to my employment with Paragon Protective Coatings Ltd. and agree to the importance of remaining informed of Paragon's standard practices regarding confidential information asset out in this Confidentiality Policy.

Employee Date

Witness Date

