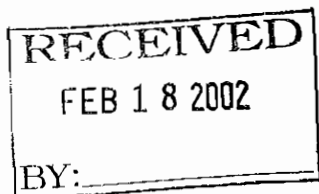


Leader.



927 Eastwood Drive
Columbus
Westerville, Ohio 43081
USA

www.leader.com

614 890.1986 VOICE
614 864.7922 FAX



Proprietary & Confidentiality Agreement

In connection with your interest in business relationships between you, **Battelle Memorial Institute, Commercial Business Operations** ("RECIPIENT" or you) and Leader Technologies LLC, a.k.a. Leader Technologies, Ltd., an Ohio limited liability company ("Leader"), Leader will be furnishing you with certain information which is either non-public, confidential or proprietary in nature. All information ascertained by or furnished to you, your directors, officers, employees, agents or representatives, including without limitation attorneys, accountants, consultants and financial advisors (collectively, "representatives"), by Leader or its representatives, and all analyses, compilations, data, studies or other documents prepared by you or your representatives containing or based in whole or in part on any such furnished information or reflecting your review of, or interest in, Leader is hereinafter referred to as the "Information". In consideration of your being furnished with the Information you agree that:

1. The Information will be kept confidential and will not, without the prior written consent of Leader be disclosed by you or your representatives, in any manner whatsoever, in whole or in part, and will not be used by you or your representatives directly or indirectly for any purpose other than evaluating the business relationship referred to above. Moreover, you agree to transmit the Information only to those representatives who need to know the Information for the purpose of evaluating the business relationship referred to above, who are informed by you of the confidential nature of the Information and who are bound by the terms of this Agreement by virtue of the terms of their Employment Agreement. You will be responsible for any breach of this Agreement by your representatives. You also agree to abide by applicable law with respect to disclosure of personnel records and the right to privacy.
2. Neither party hereto nor its representatives will, without the prior written consent of the other party, disclose to any other person the fact that the Information has been made available, that discussions or negotiations are taking place concerning a possible business relationship involving Leader or any of the terms, conditions or other facts with respect to any such possible business relationship, including the status thereof, except as required by law or by the rules of any recognized stock exchange and then, if circumstances permit, only with prior written notice as soon as possible to such other party. If circumstances make it impossible to give such prior written notice, then any disclosure made shall be no more extensive than is necessary to meet the minimum requirement imposed on the party making such disclosure.
3. The Information, and all copies thereof, except for that portion of the Information which consists of analyses, compilations, data, studies or other documents prepared by you or your representatives will remain the absolute property of Leader and will be returned without retaining any copies thereof to Leader immediately upon Leader's request. That portion of the Information which consists of analyses, compilations, data, studies or other documents prepared by you will be immediately destroyed at the request of Leader and such destruction will be confirmed to Leader in writing.

4. This Agreement shall be inoperative as to such portions of the Information which (i) are or become generally available to the public other than as a result of an unauthorized disclosure by you or your representatives; (ii) become available to you on a non-confidential basis from any source excluding Leader or its representatives, which source has represented to you (and which you have no reason to disbelieve after due inquiry) is entitled to disclose it; or (iii) was known to you on a non-confidential basis prior to its disclosure to you by Leader or one of its representatives; or (iv) are independently developed by you as shown by written records.
5. You understand that Leader has endeavored to include in the Information those materials which are believed to be reliable and relevant for the purpose of your evaluation, but you acknowledge that neither Leader nor any of its representatives makes any representation or warranty as to the accuracy or completeness of the Information. You agree that neither Leader nor any of its representatives shall have any liability to you or to any of your representatives as a result of the use of the Information by you or your representatives, it being understood that only those particular representations and warranties which may be made in any definitive agreements, when, as and if executed, and subject to such limitations and restrictions as may be specified in such definitive agreements, shall have any legal effect.
6. In the event that you or anyone to whom you transmit the Information pursuant to this Agreement are requested or become legally compelled (by oral questions, interrogatories, request for information or documents, subpoena, civil investigative demand or similar process) to disclose any of the Information, you will provide Leader with prompt written notice so that Leader may seek a protective order or other appropriate remedy and/or waive compliance with the provisions of the Agreement. In the event that such protective order or other remedy is not obtained, or that Leader waives compliance with the provisions of this Agreement, you will furnish only that portion of the Information which is legally required.
7. It is further understood and agreed that you will not directly contact employees of Leader in connection with the Information or a potential business relationship involving Leader without prior authorization of Michael T. McKibben, Senior Manager of Leader. You further agree that if you meet with management as a part of any due diligence visit, then you will not solicit for employment any of Leader's executives or key employees for a period of three years from the date of that visit. The foregoing shall not restrict in any way the right to solicit generally in the media for required personnel, nor does it restrict employees of either party from pursuing on their own initiative employment opportunities with the other party.
8. It is further understood and agreed that no failure or delay by Leader in exercising any right, power or privilege under this Agreement shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise of any right, power or privilege hereunder.
9. The restrictions imposed hereby shall continue for a period of five years from the date on which you last receive or prepare, as the case may be, any Information.

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10. This Agreement shall be governed and construed in accordance with the laws of the State of Ohio applicable to agreements made and to be performed within such State.

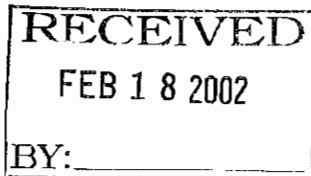
Please return a signed copy of this Proprietary & Confidentiality Agreement to Leader, c/o Michael T. McKibben, Chairman, CEO & Senior Manager, Spectrum Commerce Center, 921 Eastwind Drive, Westerville, Ohio 43081.

**Christina L. Rotunda, Director
Commercial Contract Services
Battelle Memorial Institute,
Commercial Business Operations**

Signature

Date

Leader.





505 King Avenue
Columbus, OH 43201

Date: February 18, 2002

Fax

To: Michael T. McKibben

Fax No: 614/864-7922

Phone No:

Company: Chairman & CEO,

Leader Technologies

From: Christina L. Rotunda

Director, Commercial Contract Services

Fax No: 614/424-3585

Phone No:

Total Pages: 4 (Including Lead Sheet)

Comments: As outlined in my email of this morning