

## CONFIDENTIALITY AGREEMENT

This Agreement is made as of this \_\_\_ day of \_\_\_\_\_, 2021 (the "**Effective Date**")

BETWEEN

**FIGR Brands, Inc.**  
("FIGR")

AND

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(the "**Company**")

each a "party" and collectively the "parties", with respect to their obligations of confidentiality and non-disclosure of Confidential Information to be shared or exchanged between the parties for the purpose of the Company evaluating, negotiating and consummating a transaction with FIGR (the "**Purpose**") pursuant to and in accordance with the approved sale and investment solicitation process ("SISP") by the Ontario Superior Court of Justice. The SISP is intended to solicit interest in, and opportunities for, a sale of, or investment in all or part of the Property (as defined in the Initial Order).

In consideration of the promises contained in this Agreement and for other good and valuable consideration, the parties agree as follows:

1. For purposes of this Agreement:

a. "**Confidential Information**" means any data or information, tangible or intangible, that is of value to the Disclosing Party and is not generally known in the industry or to competitors of the Disclosing Party. Confidential Information shall include: (i) tangible information, marked by the Disclosing Party with the word "Confidential" or like designation; (ii) information disclosed orally or visually and identified by the Disclosing Party as confidential when disclosed, and confirmed by the Disclosing Party in a written notice within thirty (30) days following disclosure; and (iii) all other information that, notwithstanding the absence of markings or designations, would be understood by the parties, exercising reasonable business judgment, to be confidential.

For clarity, Confidential Information includes, but is not limited to, the following information to the extent that such information meets the requirements in the above paragraph:

(i) technical, financial and business information and models, information relevant to the current or proposed marketing or business plans of the Disclosing Party, reports, budgets and strategies, market projections, analyses, working papers, comparisons, studies, or other documents which contain such information;

- (ii) customer/client lists and records, cost estimates, cost and pricing practices, personnel records, trade secrets, minutes, data, designs, drawings, specifications, techniques, test results, engineering reports, or research;
- (iii) information disclosed either directly, in oral or tangible form (including but not limited to, magnetic or electronic form), or indirectly, by permitting the Receiving Party or its employees to observe various operations or processes conducted by the Disclosing Party;
- (iv) information of the Disclosing Party's Affiliates, employees or agents; and
- (v) any material or documents prepared by the Receiving Party that is based on or contains any information disclosed by the Disclosing Party.

b. "**Disclosing Party**" means a party to this Agreement when it provides Confidential Information.

c. "**Receiving Party**" means a party to this Agreement when it receives Confidential Information.

d. "**Representatives**" of a party means the directors, officers, employees, consultants and agents of a party and employees of an Affiliate of that party.

e. "**Affiliate**" of a party means any firm, corporation, partnership, association, trust or other corporate entity that controls, is controlled by, or is under common control with, the respective party.

2. Confidential Information does not include information that:

- a. is or becomes available in the public domain through no act of the Receiving Party;
- b. is disclosed to the Receiving Party on a non-confidential basis by a third party who is not bound by any confidentiality obligation to the Disclosing Party;
- c. was already known by the Receiving Party without any obligation of confidence prior to disclosure; or
- d. was developed independently by the Receiving Party without reliance on the disclosed Confidential Information, provided that such independent development can be substantiated.

3. The parties mutually agree to hold each other's Confidential Information in strictest confidence and, unless specifically authorized in writing by the Disclosing Party, the Receiving Party shall:

- a. use Confidential Information solely for the Purpose;

- b. take all reasonable precautions, and in any event not less than those precautions used to protect its own Confidential Information, to keep the Confidential Information in the strictest confidence and to protect it from disclosure;
  - c. restrict disclosure of the Confidential Information of the other party to those of its Representatives who (i) need to know such information for the fulfillment of the Purpose, and (ii) are informed by such party of the confidential nature of such information;
  - d. not reproduce or copy in whole or in part any Confidential Information except as may be necessary for the internal use of the Receiving Party in the course of the Purpose; and
  - e. at the request of the Disclosing Party, promptly delete, destroy or return to the Disclosing Party any and all tangible material containing any Confidential Information, including all copies made, whether such material was made or compiled by the Receiving Party or furnished by the Disclosing Party.
4. The Receiving Party shall be responsible for any breach of this Agreement by its Representatives or Affiliates (including its Representatives or Affiliates who, subsequent to the first date of disclosure of Confidential Information hereunder, become former Representatives or Affiliates) and shall take all necessary measures to restrain its Representatives or Affiliates (and former Representatives or Affiliates) from unauthorized disclosure or use of Confidential Information.
5. If a Receiving Party is required or becomes compelled to disclose any Confidential Information of the Disclosing Party, pursuant to law or a judicial or administrative order or decree, the Receiving Party shall, provided that this is not prohibited by a court or other lawful authority from doing so, promptly notify the Disclosing Party in writing, and cooperate with the Disclosing Party in taking legally available steps to resist or limit the disclosure and to maintain confidentiality by the court or administrative body.
6. Nothing in this Agreement shall be construed as: (a) requiring a party to disclose to the other party, or to accept from the other party, any particular information; or (b) granting any rights, under any trade-mark, trade-name, patent, registered design, copyright, design right, intellectual property right, or any similar right belonging to either party; or (c) either party making any representation or warranty as to the accuracy or completeness of any Confidential Information disclosed pursuant to this Agreement and the Disclosing Party shall not be liable for any errors or omissions in the Confidential Information or for the utilization and results of the utilization of the Confidential Information.
7. The Receiving Party agrees that, for a period of 12 months from the date hereof, neither it nor any of its Representatives or Affiliates shall hire or solicit any current officer or employee of the Disclosing Party (collectively, "Employees"); provided however, that the foregoing shall not apply to: (a) generalized searches for Employees by use of advertisements in the media that are not targeted at Employees; (b) any Employees that are presented by a professional placement agency so long as the Receiving Party did not direct or encourage such agency to target employees of the Disclosing Party; and (c) the solicitation and hiring of persons whose employment by the

Disclosing Party has been terminated for cause by the Disclosing Party or whose employment by the Disclosing Party has terminated by reason of resignation of such person and no less than three (3) months have elapsed since the date of such resignation.

8. Nothing in this Agreement nor the acts of the parties hereto shall be construed, implied or deemed to create an agency, partnership or joint venture relationship, or any transaction whatsoever, between them.

9. This Agreement is not intended to, and does not, obligate either party to enter into any further agreements or to proceed with any transaction.

10. This Agreement may not be assigned in whole or in part by either party without the prior written consent of the other party, except that either party may assign this Agreement in whole or in part to an Affiliate.

11. The obligations of confidentiality set forth in this Agreement are in addition to, and not in substitution for, any and all other obligations and duties of confidentiality which either party may from time to time owe to the other of them whether at law, in equity, under statute, under contract or otherwise.

12. Each Receiving Party acknowledges that, in the event of a breach by it of any of the provisions of this Agreement, the Disclosing Party may not have an adequate remedy in monetary damages. Accordingly, the Disclosing Party shall, in addition to other available legal or equitable remedies, be entitled to an injunction against such breach or any threatened breach.

13. This Agreement shall be governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein, and the parties submit to the non-exclusive jurisdiction of the Courts in Ontario.

14. Any notice required to be given under this Agreement shall be in writing and shall be sent by mail, delivered personally or sent by email or confirmed facsimile transmission to the addresses set out in the signature portion of this Agreement, or such other address as the parties may from time to time advise each other in writing.

15. This Agreement shall be in force for a period of one (1) year from the Effective Date, unless terminated earlier by any party by giving thirty (30) days' notice in writing to the other party of its intention to terminate. Termination of this Agreement shall not, however, affect the rights and obligations with respect to Confidential Information disclosed hereunder prior to termination. The confidentiality and non-use obligations of each party as a Receiving Party shall survive the expiration or termination of this Agreement for a period of two (2) years.

16. This Agreement is the entire Agreement between the parties concerning the matters referred to herein. Any amendments to this Agreement must be in writing and signed by each party.

17. The failure of a party to enforce at any time or for any period of time any of the provisions of this Agreement shall not constitute a waiver of such provisions or the right of that party to enforce each and every provision. A waiver of a failure to comply hereunder shall be effected only

in writing, signed by the waiving party and shall not constitute a waiver of any other failures to comply hereunder.

18. In case any one or more of the provisions contained in this Agreement shall, for any reason, be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Agreement, but this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

19. Each party represents and warrants to the other that it has all requisite power and authority to enter into this Agreement and to perform its obligations and that this Agreement has been duly authorized, executed and delivered by it and constitutes a valid and binding obligation, enforceable against it in accordance with its terms.

20. This Agreement shall enure to the benefit of and be binding on the parties hereto, their successors and permitted assigns.

21. This Agreement may be executed in counterparts, each of which shall be deemed to be an original and all of which together shall constitute one and the same instrument, and may be delivered by facsimile or other electronic form.

IN WITNESS WHEREOF the parties have executed this Agreement by their duly authorized signatories.

**FIGR Brands, Inc.**

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Per:

\_\_\_\_\_

(Authorized Signatory)

\_\_\_\_\_

(Authorized Signatory)