

NON-DISCLOSURE AND CONFIDENTIALITY AGREEMENT

THIS AGREEMENT dated the ____ day of _____, 2020

BETWEEN:

PROJECT ABACUS

(the "**Company**")

AND:

having an address of:

(the "**Recipient**")

WHEREAS:

A. The Company and the Recipient wish to enter into negotiations on a confidential basis to explore the possibility of the Recipient or its affiliates or related companies acquiring shares or assets of the Company (the "**Potential Transaction**") and/or its affiliates and related companies;

B. The Company wishes to disclose and the Recipient wishes to have disclosed confidential information of the Company and its affiliates and related companies for the purposes of enabling the Recipient to perform its due diligence with respect thereto;

C. The Company has required as a condition of it disclosing, or arranging for the disclosure of confidential information to the Recipient that the Recipient enter into this Agreement confirming the confidential nature of such information, and the Recipient has agreed to maintain as confidential the negotiations between the Company, its shareholders and the Recipient; and

D. The Recipient has agreed that the use and disclosure of the information shall be governed by the following terms and conditions.

THEREFORE in consideration of the premises, mutual covenants and agreements contained in this Agreement and other good and valuable consideration (the receipt and sufficiency of which is acknowledged by each of the parties), the parties agree as follows:

1. DEFINITIONS

1.1 In this Agreement:

(a) "**Confidential Information**" means:

(i) information disclosed by or on behalf of the Company to the Recipient or its Representatives regarding the Company's business operations, methods and practices, including business plans, marketing strategies,

product pricing, cost data, profits, sales, income, salaries, wages, margins, assets, liabilities and all information regarding the financial affairs of the Company;

- (ii) information disclosed by or on behalf of the Company to the Recipient or its Representatives concerning past, present or future business opportunities, plans, projects, ventures, joint ventures considered by the Company whether or not pursued;
 - (iii) the names of any of the Company's customers and clients, the names of suppliers of products to the Company and the nature of the Company's relationships with such customers, clients and suppliers disclosed by or on behalf of the Company to the Recipient or its Representatives;
 - (iv) information regarding the Company's intellectual property, including trade secret information, confidential and proprietary information of the Company including without limitation concepts, methods, techniques, processes, designs, design ideas, software programs, copyright, trademarks, logos, formulas, development or experimental work, work in process or other know-how disclosed by or on behalf of the Company to the Recipient or its Representatives;
 - (v) the contents of this Agreement and the existence of discussions between the parties hereto relating to the foregoing information; and
 - (vi) any notes, reports or other documents prepared by the Recipient containing any of the foregoing information;
- (b) **"Representatives"** means collectively the Recipient's directors, officers, employees, consultants, researchers, agents or advisors.

2. PURPOSE

2.1 The Recipient acknowledges and agrees that the sole purpose for which the Confidential Information is disclosed to the Recipient or its Representatives is to allow the Recipient to assess the Confidential Information to determine whether to enter into the Potential Transaction with the Company (the **"Purpose"**). Any use or disclosure of the Confidential Information by the Recipient or its Representatives for any other purpose shall be considered unauthorized and strictly prohibited.

3. OBLIGATIONS OF CONFIDENTIALITY

3.1 To assure protection of the Confidential Information, the Recipient shall:

- (a) maintain the Confidential Information in strict confidence;
- (b) not disclose the Confidential Information directly or indirectly to any other party (other than its Representatives) without in each instance having first obtained the express prior written consent of the Company;
- (c) not use or copy the Confidential Information except for the Purpose;
- (d) not alter, modify, disassemble, reverse engineer, or decompile the Confidential Information;

- (e) protect the Confidential Information against unauthorized disclosure by any of the employees, consultants or agents of the Recipient by the taking of all reasonable precautions, including the limiting of access to the information received hereunder to employees, consultants and agents who are bound by obligations of confidentiality, non-use and non-disclosure at least as stringent as those set forth in this Agreement;
- (f) return the Confidential Information and any whole or partial copies to the Company promptly upon written request. In the event the parties decide not to enter into the Potential Transaction, then the Recipient and its Representatives shall immediately return all disclosed Confidential Information (and any copies thereof) to the Company. The foregoing obligations to return Confidential Information will not apply to: (i) Confidential Information of the type referred to in subsection (vi) of the definition "Confidential Information", which will be destroyed by the Recipient (except for archival copies of any such Confidential Information, which may be retained for its legal files if and to the extent required to demonstrate compliance with applicable laws or professional standards); and (ii) Confidential Information that is in an electronic format on the Recipient's computer systems, retrieval systems and databases and cannot be returned, which will be deleted by the Recipient (except to the extent contained on back-up media made in the ordinary course of business that are not readily accessible and would not be commercially reasonable to destroy); but the Recipient will continue to keep any such Confidential Information confidential in accordance with this Agreement and not use any of the Confidential Information for any other purpose; and
- (g) cause its Representatives to comply with all of the foregoing.

In addition, the Company will not disclose to any person the existence of this Agreement or that any discussions between the parties hereto regarding the Potential Transaction are occurring.

4. EXCEPTIONS

4.1 The obligations of confidentiality, non-use and non-disclosure accepted by the Recipient pursuant to the preceding paragraph 3 shall not apply to:

- (a) information which is publicly available (other than as a result of a breach of this Agreement); or
- (b) information which is known by or in the possession of the Recipient prior to entering into this Agreement, as shown by the Recipient's business records; or
- (c) is lawfully and in good faith obtained by the Recipient from an independent third party, provided the third party is not known to the Recipient to be subject to a contractual, legal, fiduciary or other obligation of confidentiality to the Company with respect to such Confidential Information; or
- (d) is independently developed by the Recipient or its Representatives who had no knowledge of or access to the Confidential Information; or
- (e) subject to paragraph 8 below, if and to the extent disclosure of any Confidential Information is required by law, a court order or similar proceedings.

All information received by the Recipient or its Representatives will be deemed to be confidential unless otherwise designated by the Company as not confidential. The burden of establishing that any information comes within the exceptions set out in paragraphs 4.1(a) through 4.1(e) will rest upon the Recipient.

5. NON-SOLICITATION

5.1 During the period commencing on the date of this Agreement and terminating on the earlier of (i) the date that the Recipient and the Company complete a transaction relating to the Potential Transaction, subject to the terms of the transaction documentation; and (ii) two years after the date hereof, the Recipient will not, and will direct its Representatives not to:

- (a) solicit, initiate, or continue any contact or discussion with the Company or with any of its directors, officers, employees or consultants on contract, which relates to (A) the Potential Transaction (except with the express prior consent of the Company) or (B) any employment or other engagement with the Recipient or any of its affiliates. Notwithstanding the foregoing, nothing prevents the Recipient from: (i) soliciting employment by placement of general advertisements or other form of general solicitation for employees or through recruiting and professional search firms, employment agencies or similar entities (provided such placement or recruitment is not part of a pre-conceived plan with a director, officer, employee of, or consultant on contract with, the Company) and hiring respondents thereto, (ii) soliciting or hiring or engaging any such person whose employment with the Company or any of the Company's direct or indirect subsidiaries has been terminated at least three months prior to the commencement of any such solicitation or employment discussions between the Recipient and such person, or (iii) any solicitation or hiring or engagement by a portfolio company of an investment fund managed by the Recipient or any of its affiliates, with whom the portfolio company or affiliate did not first come in contact with such person through a management presentation or this process. For greater certainty, the foregoing provision shall not prohibit the Recipient and its Representatives from contacting any directors, officers, employees or consultants on contract of the Company in the ordinary course of business outside the scope of the Potential Transaction and consistent with past practice; or
- (b) induce or attempt to induce any customer, client, supplier, referral source, or other person or entity known by the Recipient as having business relations with the Company on or prior to the date of this Agreement to cease such business relationship with the Company.

6. REPRESENTATIVES

6.1 The Recipient shall be responsible for any breach of this Agreement by any of its Representatives, and agrees, at its sole expense, to take reasonable measures to restrain its Representatives from prohibited or unauthorised disclosure or use of the Confidential Information.

7. REMEDIES

7.1 If the Recipient or its Representatives causes an unauthorized disclosure of Confidential Information, the Recipient shall immediately report the disclosure to the Company and shall assist the Company in limiting the resulting infringement of its rights. The Recipient

shall cooperate in prosecuting any claims against third parties for any such unauthorized use. The Recipient acknowledges that the unauthorized disclosure, use or disposition, whether actual or threatened, of any Confidential Information would cause irreparable harm and significant injury to the Company, the scope of which would be difficult to ascertain. The Recipient agrees, therefore, that the Company has the right to obtain an immediate injunction, without the necessity of posting bond even if otherwise required, against any breach, threatened breach or attempted breach of this Agreement, in addition to any other remedies that may be available at law or in equity, including without limitation, the recovery of expenses, costs, damages and attorney's fees arising out of such breach, threatened breach or attempted breach.

7.2 The Recipient shall be liable to the Company for all losses, costs, damages and expenses whatsoever which the Company may sustain, pay or incur as a result of or in connection with any breach by the Recipient or its Representatives of any one or more of its obligations, covenants or agreements set forth therein.

8. NOTICE REQUIRED

8.1 Prior to any disclosure of any Confidential Information which is mandated or required by court order or law, the Recipient shall immediately notify the Company at the address above, and cooperate with the Company (at the Company's expense) in respect of any action by the Company to oppose such disclosure.

9. NO LICENSE

9.1 Nothing contained in this Agreement shall be construed as granting or conferring any rights by license or otherwise in any Confidential Information disclosed to the Recipient or its Representatives. All Confidential Information shall remain the property of the Company.

10. GENERAL

10.1 This Agreement shall become effective on the date set out at the top of page one and the obligation to keep the Confidential Information secret and confidential shall survive the termination of this Agreement and the termination of any other relationship between the parties.

10.2 Nothing in this Agreement shall be construed as creating any obligation on the part of the Company to disclose any Confidential Information whatsoever.

10.3 This Agreement may not be assigned by the Recipient.

10.4 This Agreement does not create any relationship of agency, partnership, or joint venture among any of the parties hereto.

10.5 This Agreement will be construed and enforced in accordance with, and the rights of the parties shall be governed by, the laws of the Province of New Brunswick, and the parties hereby attorn to the exclusive jurisdiction of the courts of the Province of New Brunswick.

10.6 This Agreement contains the whole agreement between the parties, pertaining to the subject matter hereof and supersedes all prior agreements, understandings, negotiations, and discussions between the parties and there are no representations, warranties, covenants, conditions, or other terms other than expressly contained in this Agreement. This Agreement may only be modified by a written document signed by both parties.

10.7 This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns.

10.8 This Agreement may be signed in counterparts and each such counterpart shall constitute an original document and such counterparts, taken together, shall constitute one and the same instrument. The signature of any of the parties to this Agreement may be evidenced by facsimile or electronic PDF of this Agreement bearing such signature.

10.9 Each party agrees that unless and until a definitive agreement implementing any Proposed Transaction resulting from the negotiations between the parties is entered into neither party will be under any legal obligation of any kind whatsoever to enter into or complete a Proposed Transaction and either party may withdraw from the negotiations between the parties at any time in its sole discretion with or without reason.

EXECUTED as of the day and year first set forth above.

RECIPIENT:

Per:

Authorized Signatory

COMPANY:

Per:

Authorized Signatory