



CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT

This Confidentiality and Non-Disclosure Agreement (this "**Agreement**") is made and entered into as of this _____ day of _____, 201_, by _____, a _____ ("**Investor**"), and Lakes Business Group, Inc. d/b/a VR Business Brokers ("**Broker**") on behalf of its principal (the "**Seller**") whose identity shall be disclosed to Investor upon receipt by Broker of a counterpart of this Agreement signed by Investor.

BACKGROUND

Investor is interested in obtaining information concerning certain businesses and properties owned by the Seller or its subsidiaries (collectively, the "**Business**") in order to evaluate and negotiate a potential acquisition of the Business (a "**Transaction**"). As a condition to the Seller providing certain information to Investor and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Investor agrees to enter into this Agreement. The Seller would not be willing to provide any such information to Investor, unless Investor enters into this Agreement.

NOW, THEREFORE, the parties hereby agree as follows:

1. **Confidential Information.** As used in this Agreement, the term "**Confidential Information**" means all information relating to the Seller or Business (including, without limitation, all such information concerning or relating to the Seller's or Business' assets, liabilities, businesses, processes, operations, plans, strategies, financial condition or results, financial or other business forecasts, customers or suppliers) furnished by or on behalf of the Seller or its Representatives (as hereafter defined), including the Broker, or learned or obtained in any fashion by Investor or any of its Representatives in connection with meetings or other communications with the Seller or the Business or their respective Representatives or visits to the Seller's or Business' facilities (which information so learned or obtained shall be deemed disclosed by the Seller), whether furnished, learned or obtained before or after the date hereof, and whether oral, written or electronic. "Confidential Information" shall include all information of the types described above, regardless of the manner or form in which it is furnished, learned or obtained, and includes, without limitation, all data, reports, interpretations, forecasts and records containing or otherwise reflecting any of such information, whether prepared by the Seller or others, and any summaries, analyses or other documents created by Investor, its Representatives or others which refer to, relate to, discuss, constitute, or embody all or any portion of any of such information. The term "Confidential Information" shall not include, however, information that: (a) is or becomes generally available to the public other than as a result (directly or indirectly) of a disclosure or other action by Investor or its Representatives in violation of this Agreement; (b) Investor demonstrates was in Investor's possession and obtained on a nonconfidential basis from a person other than the Seller, the Business or their respective Representatives prior to the disclosure thereof by the Seller, the Business or their respective Representatives; (c) Investor demonstrates becomes available to Investor or its Representatives on a nonconfidential basis from a person other than the Seller, the Business or their respective Representatives who is not otherwise bound by any obligation of confidentiality with respect thereto or (d) Investor demonstrates is independently developed by Investor or its Representatives without use of, reliance upon or resort to the Confidential Information.

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2. Representatives. As used in this Agreement, the term “**Representatives**” means, as to any person, such person’s Affiliates and its and their directors, officers, employees, agents, advisors (including, without limitation, financial advisors, counsel and accountants) and potential financing sources. **[Notwithstanding the foregoing, none of such persons or entities (including any investment fund managed by Investor or its Affiliate or any portfolio company of any such investment fund) shall be deemed to be Investor’s Representative or have any obligations hereunder unless such person or entity receives Confidential Information, and provided that none of Investor’s Affiliates or portfolio companies will be deemed to be Investor’s Representative or have any obligation hereunder solely due to the fact that one of Investor’s employees who has received or had access to the Confidential Information serves as an officer or member of the board of directors (or similar governing body) of such Affiliate or portfolio company if such employee does not provide any Confidential Information to the other directors, officers, employees, agents or representatives of such Affiliate or portfolio company and does not use Confidential Information for the benefit of such Affiliate or portfolio company.]**¹ As used in this Agreement, the term “**person**” shall be broadly interpreted to include, without limitation, an individual, the media, and any corporation, company, partnership, limited liability company, or other entity, organization, or association. “**Affiliate**” means, with respect to any party, any entity directly or indirectly controlling, controlled by or under common control with such party.

3. Restrictions on Use and Disclosure. Subject to Section 4 below, unless otherwise agreed to in writing by the chief executive officer of the Seller, Investor agrees, for a period of three (3) years from the date of this Agreement: (a) to keep all Confidential Information confidential and not to disclose or reveal any Confidential Information to any person other than Representatives of Investor who are actively and directly participating in the evaluation of, or closing of, a Transaction on behalf of Investor; (b) not to use Confidential Information for any purpose other than its evaluation, negotiation and closing of a possible Transaction; and (c) not to disclose to any person (other than those of its Representatives who are actively and directly participating in the evaluation, negotiation and/or closing of a Transaction on behalf of Investor) any information relating to a possible Transaction, any proposed terms or conditions of a possible Transaction, or any other information or matters relating thereto, including, without limitation, the fact that discussions are taking place with respect thereto and the status thereof, that Confidential Information has been made available to Investor or its Representatives, or that the Business is for sale. Investor further agrees (i) to inform each of its Representatives to whom any information subject to this Agreement is disclosed of the terms and conditions of this Agreement and (ii) to require each such Representative to agree for the benefit of the Seller to be bound by the terms and conditions of this Agreement. Investor agrees to take all commercially reasonable measures to restrain its Representatives from prohibited or unauthorized disclosure or use of any Confidential Information and, regardless of compliance by Investor with the foregoing, shall be responsible and liable to the Seller for any breach of the terms of this Agreement by Investor or any of its Representatives.

4. Compelled Disclosure. In the event that Investor or any of its Representatives is legally compelled, pursuant to a subpoena, civil investigative demand, regulatory demand or similar process or pursuant to applicable law, rule, regulation, stock exchange rule or disclosure requirement of the



Securities and Exchange Commission (collectively, "Law"), to disclose any Confidential Information or any other information concerning the Seller, the Business or a Transaction, Investor shall seek or cause its Representatives to seek an opinion from its counsel that a specific disclosure is necessary in order for Investor not to be in violation of or default under an applicable Law. Investor agrees that it shall or shall cause its Representative to provide the Seller with prompt notice, to the extent permissible, of such request or requirement as well as a copy of the text of the proposed disclosure as far in advance of its disclosure as is reasonably practicable, and will in good faith consult with and consider the suggestions of the Seller concerning the nature and scope of the information Investor proposes to disclose. Investor agrees to cooperate in good faith with and not to oppose any action by the Seller to obtain a protective order or other appropriate remedy in order to limit such disclosure. In the event that no such protective order or other remedy is obtained, or in the event that the Seller waives compliance with the terms of this Agreement, Investor or its Representatives may disclose only that part of the Confidential Information as it is advised by counsel is legally required to be disclosed, and shall use its best efforts to ensure that all Confidential Information and other information that is so disclosed will be accorded confidential treatment. No notice will be required in the case of disclosure to any banking, securities, tax or other regulatory authority having jurisdiction in the course of routine examination of the disclosing person's books and records by such regulatory authority, or in response to any request by such regulatory authority, provided that such examination or request is not specifically targeted at the Seller, the Business or the Transaction, and Investor or its Representatives advise the examining or requesting authority of the confidential nature of the Confidential Information.

5. Ownership. Investor acknowledges that the Confidential Information is and shall remain the sole and exclusive property of the Seller and Business, and that the Seller and the Business have the exclusive right, title, and interest to such Confidential Information. No right or license, by implication or otherwise, is granted by the Seller or Business as a result of this Agreement or as a result of any disclosure of Confidential Information.

6. Return or Destruction. At any time if the Seller so requests, Investor shall, and shall cause its Representatives to: (a) promptly return to the Seller all Confidential Information furnished directly or indirectly by or on behalf of the Seller or any of its Representatives; (b) promptly destroy all copies, summaries, extracts, memoranda, notes and other writings of, containing, or based upon any Confidential Information, regardless of who prepared such writings; and (c) promptly expunge all Confidential Information from all computers and other electronic or other storage devices (other than automatically-created archival back-up disks or tapes from which expungement of Confidential Information would not be commercially reasonable). Neither Investor nor any of its Representatives shall retain any copies or other reproductions in whole or in part of any such material. Within ten (10) business days following the Seller's request to Investor to take the actions set forth in Section 6(a), (b), and (c), an officer of Investor shall confirm to the Seller, in writing, that Investor and its Representatives have complied with this Section. Compliance with this Section shall not terminate or relieve Investor or its Representatives from their obligations under this Agreement. Notwithstanding the foregoing, counsel for Investor may retain one copy of the foregoing for archival purposes to the extent required by applicable Law (it being agreed that any such materials or information shall remain subject to the obligations of this Agreement).



7. No Warranty. Investor acknowledges that neither the Seller, the Business or Broker nor any of their respective Representatives makes any express or implied representation or warranty as to the accuracy or completeness of any information provided to Investor or its Representatives. Except as may be provided in the definitive written agreement with regard to any Transaction between the Seller and Investor, Investor agrees that neither the Seller, the Business or Broker nor any of their respective Representatives shall have any liability to Investor or any of Investor's Representatives relating to or arising from this Agreement or the use of any information by Investor or its Representatives or for any errors in or omissions from such information.

8. Procedures. Investor acknowledges that the Seller may establish procedures and guidelines governing the process for the submission and evaluation of proposals with respect to a Transaction, and any other matters relating thereto (the "Procedures"). Investor acknowledges and agrees that (a) the Seller and its Representatives are free to conduct the process leading up to a Transaction as the Seller and its Representatives, in their sole discretion, determine (including, without limitation, by negotiating with any third party and entering into a preliminary or definitive agreement without prior notice to Investor or any other person); and (b) the Seller reserves the right, in its sole discretion, to change the Procedures at any time without prior notice to Investor or any other person, to reject any and all proposals made by Investor or any of its Representatives regarding a Transaction, and to terminate discussions and negotiations with Investor at any time and for any reason.

9. Communications. Investor acknowledges and agrees that all (a) communications, contacts and inquiries regarding a Transaction, the Seller or the Business, (b) requests for additional information, (c) requests for facility tours or management meetings, and (d) discussions or questions regarding the Procedures will be submitted only to Broker or to individuals specifically designated by the Seller or Broker on behalf of the Seller.

10. Non-Solicitation. Investor agrees that, without the Seller's consent, it will not, and it will cause its Affiliates who receive Confidential Information to not, for a period of two (2) years from the date hereof, directly or indirectly, solicit the services of (for employment, consulting or otherwise), accept the services of, or employ or engage any person who is now employed by the Seller or Business; provided, however, that Investor shall not be prohibited from: (a) conducting generalized solicitations for employees (which solicitations are not specifically targeted at the Seller's or Business' employees) through the use of media advertisements, professional search firms or otherwise; (b) hiring any such person if such person was terminated from employment by the Seller or Business at least six months prior to the earlier of the first solicitation of such person by Investor or the date of Investor's hiring of such person; or (c) if Investor and the Seller consummate a Transaction, employing such persons connected with the Seller in accordance with the definitive agreement with respect to such Transaction.

11. No Implied Obligations. The Seller and its Representatives have no obligation to disclose any information to Investor or its Representatives. Investor understands and agrees that no contract or agreement providing for the consummation of a Transaction involving the Seller or the Business shall be deemed to exist between Investor and the Seller or the Business unless and until a final definitive agreement has been mutually executed and delivered. Investor also agrees that unless and until a final definitive agreement between Investor and the Business and/or the Seller has been executed and delivered, neither the Seller nor Business will be under any legal obligation of any kind whatsoever with respect to such a

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Transaction by virtue of this Agreement, except for the matters specifically agreed to herein. Investor agrees that the Seller reserves the right, in its sole discretion, to reject any and all proposals made by Investor and to terminate discussions and negotiations with Investor at any time.

12. Non-Exclusive Remedies. It is understood and agreed that the Confidential Information is special, unique and of extraordinary character, and that the Seller may be irreparably harmed by a breach of this Agreement. In the event that Investor or its Representatives shall have knowledge of any breach of this Agreement, Investor shall promptly give notice thereof to the Seller. Without prejudice to the rights and remedies otherwise available to the Seller, Investor agrees that the Seller shall be entitled to seek equitable relief by way of injunction or otherwise if Investor or any of its Representatives breach or threaten to breach any of the provisions of this Agreement. Investor also agrees to indemnify and hold the Seller harmless from any damages, losses, costs or liabilities (including, without limitation, legal fees or other costs of enforcing this indemnity) arising out of or resulting from any unauthorized use or disclosure by Investor or its Representatives of any Confidential Information or other violation of the terms of this Agreement.

13. Assignment. Investor agrees that the rights and remedies of the Seller under this Agreement shall inure to the benefit of, and shall be separately enforceable by, the Seller, its Affiliates (including the Business), and its and their respective successors and assigns. Investor shall not assign this Agreement without the prior written consent of the Seller except that, without such consent, Investor shall cause its obligations under this Agreement with respect to Confidential Information to be assumed, either in writing or by operation of law, by any successor (by merger, sale of assets, or otherwise) to the business of Investor or of any portion thereof to which any of the Confidential Information has been disclosed. No assignment of this Agreement or of any rights or obligations hereunder shall relieve Investor of any of its obligations hereunder.

14. Governing Law; Jurisdiction and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Wisconsin applicable to contracts executed in and to be performed in that State, without regard to conflicts of laws principles. Venue in any and all actions and proceedings related to this Agreement shall be in any state or federal court located in Milwaukee, Wisconsin, and any such court shall have personal and subject matter jurisdiction for such purpose, and Investor irrevocably submits to the exclusive jurisdiction of any such court and irrevocably waives the defense of an inconvenient forum to the maintenance of any such action or proceeding.

15. Miscellaneous. This Agreement is intended to and shall benefit the Seller, which is a third-party beneficiary hereof. This Agreement contains the entire agreement between the Seller and Investor concerning the subject matter hereof, and no modification of this Agreement or waiver of any terms hereof shall be binding upon the Seller or Investor, unless approved in writing by both of the parties hereto. No failure or delay by the Seller in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any right, power or privilege hereunder. If any provision of this Agreement shall, for any reason, be adjudged by any court of competent jurisdiction to be invalid or unenforceable, such judgment shall not affect, impair or invalidate the remainder of this Agreement, but shall be confined in its operation to the provision of this Agreement directly involved in the controversy in which such judgment shall have been rendered.

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IN WITNESS HEREOF, parties have duly executed this Agreement effective as of the date first set forth above.

INVESTOR/COMPANY:

Name, Address, City, State, Zip

Phone Number

Email

By: _____

Its: _____

BROKER:

LAKES BUSINESS GROUP, INC.

A handwritten signature in black ink, appearing to be "A. S. ...", written over a horizontal line.

By: _____

Its: Shareholder and SVP

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WISCONSIN REALTORS® ASSOCIATION
4801 Forest Run Road, Madison, WI 53704

Lakes Business Group, Inc.
Effective July 1, 2016

DISCLOSURE TO NON-RESIDENTIAL CUSTOMERS

1 Prior to negotiating on your behalf the brokerage firm, or an agent associated with the firm, must provide you the
2 following disclosure statement:

3 **DISCLOSURE TO CUSTOMERS** You are a customer of the brokerage firm (hereinafter Firm). The Firm is either an agent
4 of another party in the transaction or a subagent of another firm that is the agent of another party in the transaction. A
5 broker or a salesperson acting on behalf of the Firm may provide brokerage services to you. Whenever the Firm is
6 providing brokerage services to you, the Firm and its brokers and salespersons (hereinafter Agents) owe you, the
7 customer, the following duties:

- 8 (a) The duty to provide brokerage services to you fairly and honestly.
- 9 (b) The duty to exercise reasonable skill and care in providing brokerage services to you.
- 10 (c) The duty to provide you with accurate information about market conditions within a reasonable time if you request
11 it, unless disclosure of the information is prohibited by law.
- 12 (d) The duty to disclose to you in writing certain Material Adverse Facts about a property, unless disclosure of the
13 information is prohibited by law (see lines 42-51).
- 14 (e) The duty to protect your confidentiality. Unless the law requires it, the Firm and its Agents will not disclose your
15 confidential information or the confidential information of other parties (see lines 23-41).
- 16 (f) The duty to safeguard trust funds and other property held by the Firm or its Agents.
- 17 (g) The duty, when negotiating, to present contract proposals in an objective and unbiased manner and disclose the
18 advantages and disadvantages of the proposals.

19 Please review this information carefully. An Agent of the Firm can answer your questions about brokerage services,
20 but if you need legal advice, tax advice, or a professional home inspection, contact an attorney, tax advisor, or home
21 inspector. This disclosure is required by section 452.135 of the Wisconsin statutes and is for information only. It is a
22 plain-language summary of the duties owed to a customer under section 452.133(1) of the Wisconsin statutes.

23 **CONFIDENTIALITY NOTICE TO CUSTOMERS** The Firm and its Agents will keep confidential any information given to the
24 Firm or its Agents in confidence, or any information obtained by the Firm and its Agents that a reasonable person
25 would want to be kept confidential, unless the information must be disclosed by law or you authorize the Firm to
26 disclose particular information. The Firm and its Agents shall continue to keep the information confidential after the
27 Firm is no longer providing brokerage services to you.

28 The following information is required to be disclosed by law:

- 29 1. Material Adverse Facts, as defined in Wis. Stat. § 452.01(5g) (see lines 42-51).
- 30 2. Any facts known by the Firm or its Agents that contradict any information included in a written inspection
31 report on the property or real estate that is the subject of the transaction.

32 To ensure that the Firm and its Agents are aware of what specific information you consider confidential, you may
33 list that information below (see lines 35-41) or provide that information to the Firm or its Agents by other means. At a
34 later time, you may also provide the Firm or its Agents with other Information you consider to be confidential.

35 **CONFIDENTIAL INFORMATION:** _____
36 _____
37 _____

38 **NON-CONFIDENTIAL INFORMATION** (the following information may be disclosed by the Firm and its Agents): _____
39 _____
40 _____

41 _____ (Insert information you authorize to be disclosed, such as financial qualification information.)

42 **DEFINITION OF MATERIAL ADVERSE FACTS**

43 A "Material Adverse Fact" is defined in Wis. Stat. § 452.01(5g) as an Adverse Fact that a party indicates is of such
44 significance, or that is generally recognized by a competent licensee as being of such significance to a reasonable
45 party, that it affects or would affect the party's decision to enter into a contract or agreement concerning a transaction
46 or affects or would affect the party's decision about the terms of such a contract or agreement.

47 An "Adverse Fact" is defined in Wis. Stat. § 452.01(1e) as a condition or occurrence that a competent licensee
48 generally recognizes will significantly and adversely affect the value of the property, significantly reduce the structural
49 integrity of improvements to real estate, or present a significant health risk to occupants of the property; or information
50 that indicates that a party to a transaction is not able to or does not intend to meet his or her obligations under a
51 contract or agreement made concerning the transaction.

52 **NOTICE ABOUT SEX OFFENDER REGISTRY** You may obtain information about the sex offender registry and persons
53 registered with the registry by contacting the Wisconsin Department of Corrections on the Internet at
54 <http://www.doc.wi.gov> or by telephone at 608-240-5830.

No representation is made as to the legal validity of any provision or the adequacy of any provision in any specific transaction.
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