

Confidentiality Agreement

This Confidentiality Agreement (the “**Agreement**”), effective as of _____, ___, 2022 (the “**Effective Date**”), is by and between MNP Ltd., in its capacity as receiver and manager (“**Receiver**”) of the assets, undertakings and property of Solvaqua Inc. (the “**Company**”), and not in its personal capacity (the “**Receiver**” or the “**Disclosing Party**”) and _____ (the “**Recipient**”).

WHEREAS, in connection with the Recipient’s consideration of a possible negotiated acquisition (the “**Transaction**”) of the assets of the Company (the “**Property**”), the Recipient has requested certain information concerning the Property, which is non-public, confidential or proprietary in nature; and

WHEREAS, the Disclosing Party wishes to protect and preserve the confidentiality of such information.

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Definitions. For purposes of this Agreement, the following terms have the following meanings:

(a) “**Evaluation Material**” means all information, including without limitation, any data, reports, studies, interpretations, forecasts, know-how, plans, strategies, employee information, financial records and inventory records, intellectual property, trade secrets, product development, plans, research, ideas, concepts, designs, formulae, technology, deceptions, inventions, methods or proceeds, customer lists, documents, agreements, files and other materials regarding or concerning the Company and the Property, whether disclosed orally or disclosed or stored in written, electronic or other form or media, which is disclosed or otherwise furnished by the Disclosing Party or its Representatives to the Recipient or its Representatives in connection with the Transaction before, on or after the date hereof, including that portion of all analyses, compilations, reports, forecasts, studies, samples and other documents prepared by or for the Recipient which contain or otherwise reflect or are generated from such information, data, documents, agreements, files or other materials. The term “Evaluation Material” as used herein does not include information that: (i) is or becomes generally available to and known by the public (other than as a result of its disclosure directly or indirectly by the Recipient or its Representatives in violation of this Agreement); (ii) was already in the lawful possession of, or is or becomes available to, the Recipient or its Representatives from a source other than the Disclosing Party or its Representatives, *provided that* such source, to the best of the Recipient’s knowledge after reasonable inquiry, was not and is not bound by a confidentiality agreement regarding the Property or the Company, or otherwise prohibited from disclosing such information to the Recipient or its Representatives by a legal, contractual or fiduciary obligation; or (iii) has been independently developed by the Recipient or its Representatives without violating any of its obligations under this Agreement.

(c) “**Person**” means any individual, partnership (whether general or limited), corporation, unlimited liability company, association, trust, members of joint venture entities or other entity.

(d) “**Representatives**” means, as to any Person, such Person’s affiliates, and its and their respective directors, officers, employees, general partners, agents and consultants (including lawyers, financial advisors and accountants).

Other terms not specifically defined in this Section 1 shall have the meanings given to them elsewhere in this Agreement.

2. Evaluation Materials. The Recipient shall keep the Evaluation Material strictly confidential and shall not use the Evaluation Material for any purpose other than to evaluate, negotiate and consummate the Transaction. Without the prior written consent of the Disclosing Party, the Recipient shall not disclose or permit its Representatives to disclose any Evaluation Material except: (a) if required by law or, regulation, rule or order or under any requirement, request or process of any legal or, regulatory or governmental authority, but only in accordance with Section 5, or (b) to its Representatives, to the extent necessary to permit such Representatives to assist the Recipient in evaluating, negotiating and consummating

the Transaction, or (c) as permitted in Section 6(c); *provided that* the Recipient shall cause its Representative to be bound by the terms of this Agreement to the same extent as if they were parties hereto and the Recipient shall be responsible for any breach of this Agreement by any of its Representatives. The Recipient agrees to use commercially reasonable controls to prevent unauthorized use or disclosure of the Evaluation Material (but in any event no less than the degree of care and control that the Recipient uses to protect its own confidential information of similar importance). The Recipient will promptly notify the Disclosing Party of any unauthorized use or disclosure of the Evaluation Material in breach of this Agreement of which the Recipient has become aware.

3. Transaction Information. Except for such disclosure as is necessary not to be in violation of any applicable law or regulation, rule or order or pursuant to any requirement, request or process of any legal or regulatory, governmental authority (in which case the disclosure must be made in accordance with Section 5), the Recipient shall not, and shall not permit any of its Representatives to, without the prior written consent of the Disclosing Party, disclose to any Person: (a) the fact that the Evaluation Material has been made available to it or any of its Representatives or that it or any of its Representatives has received or inspected any portion of the Evaluation Material, (b) the existence or contents of this Agreement, (c) the fact that investigations, discussions or negotiations are taking or have taken place concerning the Transaction, including the status thereof or (d) any terms, conditions or other matters relating to the Transaction ((a), (b), (c) and (d), being referred to herein as “**Transaction Information**”).

4. Representation and Warranty Disclaimer. The Recipient understands and agrees that neither Disclosing Party nor any of its Representatives: (a) has made or makes any representation or warranty, expressed or implied, as to the accuracy or completeness of the Evaluation Material or (b) shall have any liability to the Recipient or its Representatives relating to or resulting from the use of the Evaluation Material or any errors therein or omissions therefrom. Only those representations or warranties that are made in a Definitive Agreement (defined below) when, as and if executed will have any legal effect. The parties agree that, unless and until a definitive written agreement between the Receiver and the Recipient (or one or more of the Recipient’s affiliates) has been executed and delivered with respect to the Transaction (a “**Definitive Agreement**”), neither the Disclosing Party nor its affiliates will be under any legal obligation of any kind whatsoever with respect to the Transaction, including any obligation to (i) consummate a Transaction, (ii) conduct or continue discussions or negotiations or (iii) enter into or negotiate a Definitive Agreement. The Receiver reserves the right, in its sole discretion, to reject any and all proposals made by the Recipient or on its behalf with regard to the Transaction, to terminate discussions and negotiations with the Recipient at any time and to enter into any agreement with any other Person without notice to the Recipient or any of its Representatives, at any time and for any reason or no reason.

5. Disclosure Required by Law. If, in the written opinion of the Recipient’s counsel, the Recipient or any of its Representatives is required to disclose any Evaluation Material or Transaction Information, by law or regulation, rule or order or under any requirement, request or process of any legal or regulatory, governmental authority, the Recipient shall (a) give the Disclosing Party prompt prior written notice of such requirement, request or process so that the Disclosing Party may seek, at its sole cost and expense, an appropriate protective order or other remedy; (b) cooperate with the Disclosing Party, at the Disclosing Party’s sole cost and expense, to obtain such protective order or other remedy. If such protective order or other remedy is not obtained, the Recipient (or such Representative to whom such requirement or request is directed) will furnish only that portion of the Evaluation Material or Transaction Information which, on the written advice of the Recipient’s counsel, is legally required to be disclosed and use its best efforts to preserve the privileged nature or confidentiality of the Evaluation Material or Transaction Information and obtain assurances that confidential treatment will be accorded the Evaluation Material or Transaction Information so disclosed.

6. Anti-Clubbing and Lock-Ups.

(a) The Recipient hereby represents and warrants that the Recipient is not acting as a broker for, or Representative of, any other Person in connection with the Transaction, and is considering the Transaction only for its own account. Except with the prior written consent of the Disclosing Party, the Recipient agrees that (i) it will not act as a joint bidder or co-bidder with any other Person with respect to the Transaction and (ii) neither the Recipient nor any of its Representatives (acting on behalf of the Recipient) will enter into any discussions, negotiations, agreements, arrangements or understandings (whether written or oral) with any other Person regarding the Transaction, other than the Disclosing Party and its Representatives, and the Recipient’s Representatives (to the extent permitted hereunder).

(b) The Recipient hereby represents and warrants that neither it, nor any of its affiliates or other Representatives is party to any agreement, arrangement or understanding (whether written or oral) that would restrict the ability of any other Person to provide financing (debt, equity or otherwise) to any other Person for the Transaction or any similar transaction, and the Recipient hereby agrees that neither it nor any of its affiliates or other Representatives will directly or indirectly restrict the ability of any other Person to provide any such financing.

(c) Notwithstanding anything to the contrary contained herein, without the prior written consent of the Disclosing Party, the Recipient agrees that, neither the Recipient nor any of its affiliates or other Representatives will disclose any Evaluation Material to any actual or potential sources of financing (debt, equity or otherwise) other than bona fide third party institutional lenders who are or may be engaged to provide debt financing to the Recipient.

7. Return or Destruction of Evaluation Materials. At any time upon the Disclosing Party's written request, the Recipient shall promptly, and in any event no later than three (3) days after the request, return or destroy all Evaluation Material (including all copies, extracts or other reproductions) to the Disclosing Party and, if destroyed, certify in writing to the Disclosing Party within such time frame that such Evaluation Material (including any Evaluation Material held electronically) has been destroyed. Notwithstanding the return or destruction of Evaluation Material, the Recipient and its Representatives shall continue to be bound by their obligations of confidentiality and other obligations hereunder.

8. Party Contacts. The Recipient agrees that (i) all contacts or communications by the Recipient or its Representatives regarding Evaluation Material or the Transaction, (ii) requests for additional Evaluation Material, (iii) requests for facility tours, and (iv) discussions or questions regarding procedures, shall be made through the Receiver. The Recipient agrees that neither it nor any of its Representatives will contact (directly or indirectly) any other current or former director, officer, employee or other representative of the Company regarding the Transaction or Evaluation Material without the prior written consent of the Disclosing Party. The Recipient further agrees that neither it nor any of its Representatives will contact (directly or indirectly) any dealer, customer, supplier, client or other Person involved in or having had a business relationship with the Company or Disclosing Party or any of their respective affiliates regarding the Transaction, the Property, the Evaluation Material or the Company without the prior written consent of the Disclosing Party.

9. No Transfer of Rights, Title or Interest. The Disclosing Party and/or the Company hereby retains its entire right, title and interest, including all intellectual property rights, in and to all Evaluation Materials. Any disclosure of such Evaluation Materials hereunder shall not be construed as an assignment, grant, option, licence or other transfer of any such right, title or interest whatsoever to the Recipient or any of its Representatives. The Recipient specifically acknowledges and agrees that the Evaluation Materials are and shall remain the exclusive property of the Disclosing Party and/or the Company and that it has no right, title or interest in or to the Evaluation Materials.

10. Remedies. The parties agree that monetary damages would not be a sufficient remedy for any breach of this Agreement by the Recipient and that in addition to all other remedies it may be entitled to, the Disclosing Party shall be entitled to specific performance and injunctive or other equitable relief as a remedy for any such breach without the requirement for securing or posting of any bond or other security by the Disclosing Party. The Recipient further agrees that it will not oppose the granting of such relief on the basis that the Disclosing Party has an adequate remedy at law and that it will pay any fees that the Disclosing Party may incur in enforcing this Agreement.

11. No Waiver of Privilege. To the extent that any Evaluation Material includes materials subject to solicitor-client privilege or litigation privilege, Disclosing Party is not on behalf of itself, or on behalf of the Company, waiving, and shall not be deemed to have waived or diminished, its solicitor-client privilege, litigation privilege or similar protections and privileges as a result of disclosing any Evaluation Material (including Evaluation Material related to pending or threatened litigation) to the Recipient or any of its Representatives.

12. Term. This Agreement shall terminate on that date which is two (2) years after the Effective Date.

13. Governing Law and Forum. This Agreement shall be governed by the laws of the province of Alberta and the federal

laws of Canada applicable therein. The parties irrevocably attorn to the non-exclusive jurisdiction of the courts of the province of Alberta for any actions or proceedings arising out of or relating to the enforcement of this Agreement.

14. Entire Agreement. This Agreement sets forth the entire agreement between the parties regarding the Evaluation Material, and supersedes all prior negotiations, understandings and agreements between the parties (whether written or oral) on such matters. No provision of this Agreement may be amended, modified, waived or changed unless made in writing and signed by the parties. No failure or delay by a party in exercising, or partial exercise of, any right, power or privilege under this Agreement operates as a waiver or estoppel of any right, power or privilege.

15. Severability. If any provision of this Agreement, or the application thereof to any Person, place or circumstance, shall be held by a court of competent jurisdiction to be invalid, unenforceable or void, the remainder of this Agreement and such provision as applied to other Persons, places or circumstances shall remain in full force and effect.

16. Assignment. Neither this Agreement nor any of the rights or obligations hereunder may be assigned by any party without the prior written consent of the non-assigning party. Any purported assignment without such consent shall be void and unenforceable. Any purchaser of the Property or all or substantially all of the assets of the Company shall be entitled to the benefits of this Agreement, whether or not this Agreement is assigned to such purchaser.

17. Counterparts. This Agreement may be executed in any number of counterparts and by each party on separate counterparts. Each counterpart is an original and all counterparts taken together constitute one and the same instrument. A counterpart may be delivered by e-mail attachment (Portable Document Format File), facsimile or other electronic means, which shall be as effective as hand delivery of the original executed counterpart.

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective as of the date first above written.

[RECIPIENT NAME]

By _____

Name:

Title:

MNP LTD., in its capacity as Receiver and Manager of the assets, undertakings and property of Solvaqua Inc. and not in its personal or corporate capacity

By _____

Name:

Title: