

CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT
(the **Agreement**)

THIS AGREEMENT made the _____ day of _____, 2018 (the **Effective Date**).

BETWEEN:

ALVAREZ & MARSAL CANADA INC. in its capacity as Court appointed Receiver and Manager of the current and future assets, undertakings and properties of 1679775 Alberta Ltd., Reid-Built Homes Ltd., Reid Worldwide Corporation, Builder's Direct Supply Ltd., Reid Built Homes Calgary Ltd., Reid Investments Ltd., Reid Capital Corp., and Emilie Reid and not in its personal capacity (hereinafter referred to as the **Provider**)

- and -

(hereinafter referred to as the **Recipient**)

RECITALS

- (A) On November 2, 2017, Alvarez & Marsal Canada Inc. was appointed receiver and manager of 1679775 Alberta Ltd., Reid-Built Homes Ltd., Reid Worldwide Corporation, Builder's Direct Supply Ltd., Reid Built Homes Calgary Ltd., Reid Investments Ltd., Reid Capital Corp., of all its current and future assets undertaking and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof.
- (B) In connection with a possible negotiated transaction (the **Transaction**), the Recipient has requested that the Provider disclose, and the Provider has agreed to disclose, Confidential Information.

NOW THEREFORE THIS AGREEMENT WITNESSES THAT, in consideration of the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is acknowledged by the parties, the parties hereby agree as follows.

- 1 (a) **Confidential Information** shall be defined as any and all data and information in any format or form, electronic (including via a data room), written, oral or otherwise, concerning the Provider or any of its subsidiaries or affiliates, which at any time may be communicated or revealed to the Recipient, any affiliate thereof, or any of the persons comprising the Recipient, or any affiliate thereof, either directly or indirectly, including, but not limited to, leases, contracts, reports, assessments, memoranda, legal documentation, financial data, present or future business plans or strategies, tenant information or data, and any information related to negotiations in connection with the lands and improvements referenced therein.
- (b) Confidential Information shall not include information which:
- (i) has rightfully been in the possession of the Recipient prior to the date of disclosure of such information by the Provider;
 - (ii) has been in the public domain prior to the date of disclosure of such information by the Provider;

- (iii) later becomes part of the public domain by publication or by other means except by means of an unauthorized act or omission on the part of the Recipient;
- (iv) is lawfully obtained by the Recipient from a third party independent of the Provider who, to the knowledge of the Recipient, is not under any obligation of confidence to the Provider; or
- (v) is required to be disclosed by order of a court or governmental or regulatory authority; provided, that the Recipient will use all reasonable efforts to notify the Provider of such compulsion in order to allow the Provider to oppose such compulsion at its sole cost and expense, it being agreed that in no event shall the Recipient have any liability to the Provider related to any such compelled disclosure.

- 2 The Recipient acknowledges that it has been provided with the Confidential Information solely for the use by the Recipient in evaluating opportunities in respect of the Transaction.
- 3 The Recipient agrees to provide the Confidential Information only to those of its directors, officers, employees, consultants, lawyers, accountants, investors, lenders, agents, advisors or representatives or those of the Recipient directly concerned with the evaluation of the Transaction who need to know the Confidential Information so as to enable the Recipient to evaluate the Transaction (collectively, the **Representatives**). The Recipient shall inform its Representatives of the confidential nature of the Confidential Information and the obligations of the Recipient under this Confidentiality Agreement. The Recipient shall be responsible for and accepts liability in respect of any breach of this Agreement, including the unauthorized disclosure or use of any Confidential Information, by any of its Representatives.
- 4 The Recipient and its Representatives shall receive and maintain the Confidential Information in the strictest of confidence and shall only use the Confidential Information for the limited purpose of enabling the Recipient to evaluate the Transaction and for no other purpose or use, and shall not disclose such Confidential Information or any part thereof to any other person or entity except with the Provider's prior written consent.
- 5 The Recipient and its Representatives agree that the Confidential Information is and shall remain the property of the Provider. No interest, license or any right respecting the Confidential Information, other than as expressly set out herein, is granted to the Recipient under this Confidentiality Agreement.
- 6 In the event that discussions between the Recipient and the Provider cease or if any written agreement between them relating to the Transaction is terminated, then the Recipient shall, within three (3) days of a written request being made by the Provider, return or destroy all notes, memoranda, correspondence, documents and any other material containing or derived from Confidential Information, including all copies thereof, either furnished hereunder or prepared by the Recipient or its Representatives using Confidential Information. Any destruction of such Confidential Information shall be confirmed in writing by an authorized signing officer of the Recipient.
- 7 Without the prior written consent of the Provider, the Recipient will not disclose to any person, except as may be necessary for the purposes set out in Section 3, the fact that the Confidential Information has been made available to the Recipient, that discussions or negotiations may or are taking place with respect to the Transaction, or any other facts with respect to the Transaction, including the status of any negotiations or agreement relating thereto, except as required by law, and then only upon furnishing the Provider with immediate written notice of such disclosure.

- 8 The Recipient agrees that a breach of any of the covenants set out herein shall have material adverse consequences to the Provider and that damages arising from the said breach may be difficult to quantify. Accordingly, the Recipient agrees that should it, or any of its Representatives, breach any provision herein, in addition to any other right or remedy at law or in equity, the Provider shall be entitled to apply for an injunction or other appropriate order to restrain any such breach by the Recipient without quantifying the damages sustained by the Provider.
- 9 This Agreement does not constitute a binding agreement or obligation to negotiate or to reach a final and definitive agreement with respect to the Transaction and no contract or agreement providing for any transaction shall be deemed to exist until a final and definitive agreement has been negotiated, duly executed, and delivered. Unless and until such a formal agreement with respect to the Transaction has been negotiated, duly executed, and delivered, neither of the Provider or the Recipient or its Representatives, shall be under any legal obligation of any kind whatsoever with respect to the Transaction, or any other transaction or matter, by virtue of this Agreement, except for the matters specifically set forth herein.
- 10 The Provider makes no representations or warranties, express or implied, as to the quality, accuracy or completeness of the Confidential Information. The Recipient hereby releases, indemnifies and holds the Provider and its affiliates and their respective employees, agents and representatives harmless with respect to the use of or reliance upon Confidential Information by the Recipient or its Representatives.
- 11 Notwithstanding anything to the contrary, the obligations to keep the Confidential Information confidential shall expire and have no further force or effect: (i) upon the Recipient receiving written notice from the Provider terminating this Confidentiality Agreement; or (ii) automatically upon the passing of twenty-four (24) months following the Effective Date.
- 12 All notices, requests, demands and other communications to any party or given under this Confidentiality Agreement must, unless otherwise specifically provided for herein, be in writing and delivered personally, by overnight delivery or courier, by registered mail or by fax (with confirmation received) to the parties at the address or fax number specified for such parties on the signature pages hereto (or at such other address or fax number as may be specified by a party in writing given at least five (5) business days prior thereto).
- 13 If any provision of this Agreement is determined to be invalid or unenforceable in whole or in part, it shall be deemed not to affect the validity of the remaining provisions and each section of this Agreement is hereby declared to be a separate and distinct provision.
- 14 This Agreement may not be assigned by either party without the prior written consent of the other party. No amendment, modification or supplement to this Agreement shall be valid or binding unless set out in writing and executed by the parties in the same manner as the execution of this Agreement.
- 15 This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein, and the parties irrevocably attorn to the jurisdiction of the courts of the Province of Alberta (Judicial Centre of Calgary).
- 16 This Agreement constitutes the entire agreement between the parties and supersedes any and all prior understandings with regard to the subject matter hereof and will be binding upon the parties and their respective successors and permitted assigns.
- 17 This Agreement may not be modified, altered or amended except in writing signed by each of the parties.
- 18 Time shall be of the essence of this Agreement.

[Signature page follows.]

19 This Agreement may be executed in counterpart and all such parts as so executed shall together form one original agreement, and such parts shall be read together and construed as if all the signing parties hereto had executed one copy of this Agreement. Delivery of this Agreement may be made by facsimile transmission or by e-mail in PDF and when so delivered, shall be as effective as if delivered and received personally.

IN WITNESS WHEREOF this Agreement has been executed by the parties as of the Effective Date.

ALVAREZ & MARSAL CANADA INC. in its capacity as Court appointed Receiver and Manager of the current and future assets, undertakings and properties of 1679775 Alberta Ltd., Reid-Built Homes Ltd., Reid Worldwide Corporation, Builder's Direct Supply Ltd., Reid Built Homes Calgary Ltd., Reid Investments Ltd., Reid Capital Corp., and Emilie Reid and not in its personal capacity

Address for Notices:

Suite 1110, 250 6th Avenue SW
Calgary, AB T2P 3H7

Attention: Vicki Chan
Fax: (604) 638-7441
E-mail: vchan@alvarezandmarsal.com

Per: _____
Name:
Title:

Per: _____
Name:
Title:

Address for Notices:

Attention: _____
Fax: _____
E-mail: _____

Per: _____
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