



NON-DISCLOSURE AGREEMENT

THIS AGREEMENT (the "**Agreement**") is made as of the ____ day of _____, 20__, by and between Arrow Machine and Fabrication Group Inc. ("**Arrow**")

and _____ (the "**Receiving Party**").

WHEREAS Arrow and/or its subsidiaries and/or affiliates, including Arrow Off-Road Group Inc., CGL Manufacturing Inc., Steelcraft Inc., Arrow Engineered Products Inc., Veriform Inc., Baumeier Corporation, and Lumar Machining & Manufacturing Ltd. (collectively, the "**Arrow Group**"), intends to temporarily disclose confidential and proprietary information to the Receiving Party and the Receiving Party's directors, officers, employees, shareholders, representatives, affiliates, professional advisors and agents (collectively, the "**Representatives**") for the Receiving Party's evaluation thereof for the purposes of the Receiving Party's carrying out the supply of raw materials and/or services purchased or secured by Arrow Group for the manufacture of parts or completed assemblies for Arrow Group's customers (the "**Purpose**"), and for no other use or purpose of any nature whatsoever;

AND WHEREAS Arrow Group wishes to protect and preserve the confidentiality of such information.

NOW THEREFORE in consideration of Arrow Group's disclosure of confidential and proprietary information, the mutual covenants contained herein and for other good and valuable consideration (the receipt and sufficiency of which is hereby irrevocably acknowledged), the parties agree as follows:

1. **Confidential Information**

- 1.1 For the purpose of this Agreement, "**Confidential Information**" means certain information and materials of a non-public, confidential, or proprietary nature created by or relating to Arrow Group, whether now or hereafter existing, whether or not marked or identified as confidential and whether such information is written, oral, electronic or in any other form, including, but not limited to, inventions, products, prototypes, mock-ups, drawings, specifications, designs, engineering data, test data, business plans, services, concepts, marketing, promotion and pricing information, reports, budgets, forecasts, records, business policies, operations, strategies, methods, processes, production schedules or practices, the names of Arrow Group's clients and suppliers and information in respect of Arrow Group's relationships with its clients and suppliers, circuits, software, hardware, firmware, documentation, research data, network identification passwords and security procedures, information received from third parties that Arrow Group is obligated to treat as confidential, this Agreement and all other information which is marked as confidential or proprietary whether such non-public information is confidential or proprietary to Arrow Group, or to Arrow Group's suppliers or clients. Confidential Information disclosed to the Receiving Party by any entity forming Arrow Group or their respective directors, officers, employees, consultants, shareholders, agents and/or advisors is covered by this Agreement.
- 1.2 Confidential Information does not include any information which the Receiving Party can conclusively establish prior to or after the time of disclosure to the Receiving Party was or became publicly available without the act or omission of the Receiving Party.

2. **Restrictions**

- 2.1 The Receiving Party shall not at any time, other than in accordance with the terms of this Agreement, disclose the Confidential Information, or any portion thereof, to any person or entity, including, without limitation to its corporate parent and affiliates, if any, without the prior written approval of Arrow, or use any Confidential Information, or any portion thereof, for any purpose, other than for the Purpose, unless specifically approved in writing by Arrow. However, the Receiving Party may disclose Confidential Information in accordance with any applicable judicial order, provided the Receiving Party shall give Arrow prompt written notice prior to such disclosure and provided the Receiving Party has taken all reasonable steps to obtain a judicial order to close such proceedings and files to all persons other than the parties hereto.
- 2.2 The Receiving Party shall maintain the confidential nature of the Confidential Information in its possession by protecting the Confidential Information from unauthorized use, access and disclosure. The Receiving Party may disclose the Confidential Information only to those Representatives of the Receiving Party who shall have a need-to-know in respect of the Purpose and who are informed by the Receiving Party of the strictly confidential nature of the Confidential Information. The Receiving Party shall execute appropriate written agreements with such Representatives sufficient to enable it to comply with all of the provisions of this Agreement. The Receiving Party shall be responsible for any breach of this Agreement by the Representatives.
- 2.3 The Receiving Party shall not copy or transmit the Confidential Information by any means without the prior written permission of Arrow. All records, notes, copies, transmissions, modifications, translations, transformations, displays, or reproductions, in whole or in part, shall contain notices identifying them as containing the copyrighted Confidential Information of Arrow Group and shall be protected from unauthorized disclosure or access. The Receiving Party agrees to segregate all Confidential Information from its own confidential materials or the confidential materials of others in order to prevent commingling.
- 2.4 The Receiving Party shall not, and shall ensure that its Representatives do not, either individually or in partnership or jointly or in conjunction with any other person, as principal, agent, consultant, contractor, shareholder, interest holder, investor, partner, lender, director, officer, employer, employee or in any other manner, directly or indirectly, use the Confidential Information to:
- 2.4.1 contact, solicit, induce, divert or interfere with (or attempt to do any of the foregoing) any customer or prospective customer of Arrow Group for the purpose of selling to such customer any products or services which are the same as or similar to those sold by Arrow Group, or to persuade or attempt to persuade any customer to change its relationship or potential relationship with Arrow Group, or to restrict, limit, discontinue or cease considering purchasing any products or services provided by Arrow Group or to reduce the amount of business or potential business which any such customer has customarily done with Arrow Group, or to not grant any new business to Arrow Group (including, without limitation, any new business related to a new line of business in which Arrow Group has or is developing plans to engage); or
- 2.4.2 contact, solicit, induce, divert or interfere with (or attempt to do any of the foregoing) any supplier or prospective supplier of Arrow Group for the purpose of persuading or attempting to persuade any supplier or prospective supplier of Arrow Group to change its relationship with Arrow Group, or to restrict, limit or

discontinue or to reduce the amount of business which any such supplier has customarily done with Arrow Group.

- 2.5 The Receiving Party acknowledges that certain Confidential Information received by the Receiving Party may fall under the category of controlled nuclear substances, equipment or information, and the Receiving Party agrees to comply with all applicable export control laws and regulations, including those set forth by the Canadian Nuclear Safety Commission. In addition to all other obligations of the Receiving Party under this Agreement, the Receiving Party shall treat all such controlled nuclear substances, equipment or information as highly confidential and implement appropriate security measures to prevent unauthorized access or disclosure.

3. **Acknowledgments, Rights and Remedies**

- 3.1 The Receiving Party acknowledges and agrees that the Confidential Information is confidential and proprietary to Arrow Group or its customer(s) as the case may be and may be subject to patent, copyright and/or trade secret protection.
- 3.2 The Receiving Party acknowledges and agrees that all Confidential Information and all worldwide right, title, and interest whatsoever therein and thereto, both legal and equitable shall belong to and shall remain the sole and exclusive property of Arrow Group or its customer(s) as the case may be and the Receiving Party further acknowledges that, save and except for the specific Purpose, the Receiving Party has no right, title or interest in the Confidential Information.
- 3.3 The Receiving Party agrees to return by overnight courier, or as otherwise specified by Arrow, all originals, copies, reproductions and summaries of the Confidential Information at Arrow's request or at Arrow's option, certify the destruction of the same, and the Receiving Party and its Representatives shall not retain any copies thereof.
- 3.4 The Receiving Party agrees to notify Arrow immediately upon discovery of an unauthorized use or disclosure of Confidential Information or any breach of this Agreement.
- 3.5 The Receiving Party understands that all Confidential Information is provided by Arrow Group "as is" and Arrow Group is not making any representation or warranty (express or implied) as to the accuracy or completeness of any Confidential Information. Arrow Group does not have any liability to Receiving Party or its Representatives relating to or resulting from the disclosure of the Confidential Information.
- 3.6 The Receiving Party will indemnify and hold harmless Arrow Group from and against any and all claims, losses, costs, or expenses of any nature whatsoever, including any demand, liability, obligation, debt, cause of action, suit, proceeding, judgment, award, assessment and reassessment, incurred or sustained by Arrow Group in respect of any matter or thing arising from or in connection with a breach of this Agreement by the Receiving Party or its Representatives.
- 3.7 The Receiving Party agrees that any breach of the terms and conditions of this Agreement by the Receiving Party or its Representatives would result in significant damage to Arrow Group, not completely compensable monetarily, and agrees that Arrow Group shall be entitled to apply for injunctive relief in a court of appropriate jurisdiction in the event of the breach or threatened breach of any of the provisions of this Agreement. The Receiving Party shall not oppose any such application on the basis that damages would be satisfactory or sufficient remedy.

4. **Miscellaneous**

- 4.1 Notwithstanding anything to the contrary herein, each party's rights and obligations under this Agreement shall survive the expiration or termination of this Agreement in perpetuity, even after the return or destruction of the Confidential Information by the Receiving Party.
- 4.2 The Receiving Party shall not disclose to Arrow Group or incorporate into any work of any nature provided to Arrow Group, any third party confidential or proprietary information.
- 4.3 For the purposes of this Agreement, (i) "affiliate" has the same meaning attributed to such term by the *Business Corporations Act* (Ontario); and (ii) "person" means any natural person, corporation, partnership, trustee or trust, unincorporated association and any government or agency thereof.
- 4.4 If any provision of this Agreement is held to be illegal, invalid or unenforceable by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect.
- 4.5 This Agreement may be amended only by written agreement between the parties. Arrow's waiver of any provision hereof shall not be deemed to waive the same or any other provision thereafter.
- 4.6 This Agreement supersedes any and all prior arrangements, whether oral or written, with respect to the Confidential Information.
- 4.7 The Receiving Party shall not assign or transfer this Agreement in whole or in part. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, legal representatives, successors and permitted assigns.
- 4.8 This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein save and except for the application of Ontario's conflicts of laws statutes, rules and jurisprudence. The Receiving Party irrevocably attorns to the non-exclusive jurisdiction of the Courts of the Province of Ontario. If either party employs a lawyer or enforces any rights arising out of or relating to this Agreement, the prevailing party shall be entitled to recover its reasonable legal fees.
- 4.9 This Agreement may be executed in any number of counterparts, and/or by facsimile or e-mail transmission of PDF (or similar) files, each of which shall constitute an original and all of which, taken together, shall constitute one and the same instrument.

[Remainder of page intentionally left blank. Signature page follows.]

IN WITNESS WHEREOF the parties have caused this Agreement to be signed sealed and delivered as of the date first written above.

Arrow Machine and Fabrication Group Inc.

by: _____
Name:
Title:

by: _____
Name:
Title:

I/We have the authority to bind the Corporation.

[RECEIVING PARTY]

PRINT

by: _____
Name:
Title:

by: _____
Name:
Title:

I/We have the authority to bind the Corporation.