

CONFIDENTIALITY AGREEMENT

THIS AGREEMENT (the “Confidentiality Agreement”) is made effective as of the _____ day of _____, 20__ between _____ (referred to herein, together with its Affiliates, as “**PVOS**” or the “**Disclosing Party**”) and _____ (referred to herein, together with its Affiliates, as “**the Recipient**” or “**Recipient**”).

WHEREAS the Recipient is considering the acquisition of the assets or shares of PVOS; and,

AND WHEREAS the Recipient will require certain Confidential Information in order to undertake an assessment of PVOS and PVOS is prepared to disclose such Confidential Information to the Recipient upon the terms and conditions contained herein in order to enable the Recipient to undertake such assessment; and,

AND WHEREAS the Recipient acknowledges the confidential nature and value of the Confidential Information (as hereinafter defined) and, in consideration of the receipt of such Confidential Information has agreed to protect the Confidential Information; and,

THE PARTIES HERETO AGREE to the following terms and conditions relating to the disclosure of certain Confidential Information:

In this Confidentiality Agreement:

- (a) “**Affiliate**” means with respect to any Person, any other Person directly or indirectly controlling, controlled by, or under direct or indirect common control such Person. A Person shall be deemed to control another Person if such Person possesses, directly or indirectly, the power to direct the management and policies of such other Person, whether through the ownership of voting securities, by contract, or otherwise;
- (b) “**Confidential Information**” means certain information that relates to or is connected with the PVOS Business, including the entering into of this Agreement and the discussions relating to the Recipient and PVOS that are directly or indirectly disclosed by Disclosing Party or by any of Disclosing Party’s Representatives to Recipient or to any of Recipient’s Representatives during the Term of this Agreement including without limitation: Disclosing Party’s activities, ownership, financial records, business plans, its shareholders, affiliates and partnerships and joint ventures, and such other Confidential Information as can be mutually agreed upon by the parties. Such Confidential Information shall not include information which: (i) is now in the possession of Recipient on a non-confidential basis; (ii) subsequently comes into the possession of Recipient through a third party who is not known to Recipient to owe Disclosing Party an obligation of confidentiality; (iii) is now in the public domain or hereafter comes into the public domain other than by breach of this letter agreement; and, (iv) is approved for release by the written authorization of Disclosing Party;
- (c) “**Disclosing Party**” means PVOS and its Affiliates;
- (d) “**Party**” means either the Recipient or Disclosing Party and “**Parties**” means both of them;

- (e) **“Person”** means any individual, corporation, firm, partnership, association, joint venture, governmental body, unincorporated organization, or other entity;
- (f) **“Recipient”** means the Recipient and its Affiliates;
- (g) **“Representatives”** means a Party’s directors, officers, employees, representatives, agents, professional advisors (including, without limitation, lawyers, accountants, consultants, and financial advisors); its Affiliates; and the directors, officers, employees, representatives, agents, and professional advisors (including, without limitation, lawyers, accountants, consultants, and financial advisors) of each Affiliate; and,
- (h) **“Term”** means a period commencing on the date of execution of this agreement by Recipient and ending twelve (12) consecutive months thereafter.

Disclosing Party is providing the Confidential Information to Recipient without any representations or warranties expressed or implied, as to its accuracy, quality, or completeness. Recipient agrees that neither Disclosing Party nor any of Disclosing Party’s Representatives will be liable to Recipient or to any of its Representatives for any loss or damage resulting from Recipient’s or its Representatives’ use of the Confidential Information. Recipient further agrees to perform their own review and be satisfied with the accuracy, quality or completeness of the Confidential Information prior to contracting in any manner with PVOS.

Without the express written consent of Disclosing Party, during the Term, Recipient: (i) shall not use any of the Confidential Information for any purposes other than evaluating or pursuing a purchase/sale relationship with PVOS, (ii) shall not disclose any of the Confidential Information to any Person, and (iii) shall not disclose that the Disclosing Party and the Recipient have entered into this Confidentiality Agreement nor the potential to purchase PVOS assets or shares. Notwithstanding the foregoing, Recipient may, for the purposes of its procurement process and conflict check when contracting its professional advisors (including, without limitation, lawyers, accountants, consultants, and financial advisors), disclose the name of Disclosing Party to the professional advisors before entering into an engagement agreement with such advisors. Notwithstanding the foregoing, Recipient may disclose the Confidential Information to such of its Representatives that have a need to know same, in which case Recipient must secure an undertaking by the Representative to keep the Confidential Information confidential pursuant to the terms of this Agreement. Recipient will take all necessary and appropriate measures to safeguard the Confidential Information from disclosure or use other than as permitted hereunder.

If during the Term, a Person seeks to legally compel Recipient or any of its Representatives to disclose any Confidential Information, Recipient will, to the extent practicable and legally permissible, provide Disclosing Party with immediate notice so that Disclosing Party may seek an appropriate protective order, at its own expense, or waive compliance by Recipient with the provisions of this letter agreement.

If, failing the entry of a protective order or the receipt of a waiver hereunder, Recipient is, in the opinion of Recipient’s legal counsel, legally compelled to disclose Confidential Information, Recipient may disclose that portion of the Confidential Information which is legally compelled to be disclosed and Recipient will exercise reasonable commercial efforts to obtain assurances that upon receipt of a written request of Disclosing Party, Recipient shall promptly destroy or return to Disclosing Party all Confidential Information provided to Recipient and shall not retain any copies, electronic copies, extracts, or other reproductions in whole or in part of the Confidential Information.

It being agreed and understood that Recipient shall not acquire any right or interest in the Confidential Information by virtue of Disclosing Party's disclosure to Recipient as contemplated by this Confidentiality Agreement.

Recipient agrees that Disclosing Party may be irreparably harmed as a result of a breach of this Confidentiality Agreement by Recipient or its Representatives, and accordingly, upon a breach or threatened breach of this Confidentiality Agreement, Disclosing Party shall be entitled to seek equitable relief, including, but not limited to, an injunction and an Order of specific performance, in accordance with the legal requirements for the obtaining of such relief. No failure or delay by Disclosing Party in exercising any of its rights or pursuing any remedies available to Disclosing Party hereunder or at law or in equity shall in any way constitute a waiver of any of Disclosing Party's rights or remedies.

Except as otherwise provided herein, Recipient shall not assign its interests in this Confidentiality Agreement or any obligations hereunder in any manner whatsoever without the prior written consent of Disclosing Party. Either Party may assign its interest in this Confidentiality Agreement to an Affiliate provided that such assignment shall not relieve the assigning Party from its obligations hereunder.

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

Unless and until a binding agreement has been executed and delivered by the Parties, neither of the any of the Parties nor any of their Representatives shall have any obligations to the other Party other than those contained within this Agreement.

If any provision of this Confidentiality Agreement is found to be wholly or partially unenforceable, such unenforceability shall not affect the enforceability of the balance of this Confidentiality Agreement and all provisions of this letter agreement shall be construed so as to preserve the enforceability hereof to the fullest extent permitted by law.

This Confidentiality Agreement constitutes the entire agreement between the Parties in respect of the Confidential Information and supersedes all other agreements, writings, and oral understandings between the parties relating to the Confidential Information. No waiver, variation, or amendment of this Confidentiality Agreement shall be effective unless expressly made in writing. Any waiver so given shall extend only to the particular breach so waived and shall not limit or affect any rights with respect to any other or future breach.

This Confidentiality Agreement shall, in all respects, be interpreted in accordance with the laws of the Province of Alberta. Each Party irrevocably attorns to the exclusive jurisdiction of the courts of the Province of Alberta.

Any notice or other communication to be given in connection with this Confidentiality Agreement must be in writing and given by personal delivery, email, or facsimile. Any notice or communication so given will be deemed to have been received on the date of actual receipt, if received by 5:00 p.m. (Calgary time), or on the next business day, if received after 5:00 p.m. (Calgary time). Any notice shall be marked "Confidential" and addressed to:

Disclosing Party:

Company

And to the Recipient:

This Confidentiality Agreement may be executed in any number of counterparts (including counterparts transmitted by e-mail transmission of Adobe Acrobat PDF files), each of which shall be deemed to be an original, but all of which taken together shall be deemed to constitute one and the same instrument.

If you agree with the terms of this Confidentiality Agreement, please sign where X is indicated below.

Company

Per: _____

Per: _____

Accepted and Agreed on this ____ day of _____, 20__.

x _____
Witness

x _____
Recipient Signature

x _____
Recipient Name (Printed)

Address: _____

Phone: _____

Email: _____