



KR Business Brokers
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CONFIDENTIALITY and NON-DISCLOSURE AGREEMENT

This Confidentiality and Non-disclosure Agreement (hereinafter referred to as "Agreement") is made effective as of the _____ day of _____, 2021, between PBS LLC, dba KR Business Brokers (hereinafter referred to as "Broker"), whose business location is 2024 Madison St., Everett, WA 98203, and (Name/s)

 of: Residence address _____,
 City _____ State _____ Zip _____,
 Residence phone (_____) _____ Business phone (_____) _____
 Alternate phone (_____) _____ E-mail address _____
 [hereinafter referred to as "I, We, Me, Us, My, Our or Individual(s)"]

I/We understand, acknowledge and agree as follows:

In this Agreement, the party(s) who represent a particular business for sale, and hold the Confidential Information pertaining to a particular business for sale, will be referred to as "Broker" and the party(s) to whom the Confidential information will be disclosed will be referred to as "I, We, Me, Us, My, Our, The Individual(s), including any and all entities, third party agreements, partnerships, corporations and LLC's that I/We shall have any interest in now/or in the future.

The Broker is engaged in business and financial intermediary services including selling businesses. The Individual(s) signing this agreement is/are engaged in the process of reviewing business opportunities for potential purchase. The Business Seller [hereinafter referred to as "Seller(s)] has requested that the Broker protect confidential material and related information which may be disclosed between the Broker and the Individuals(s) signing this agreement. Therefore, each party Signature hereto agrees as follows:

1. CONFIDENTIAL INFORMATION. The term "Confidential Information" means any information or material which is propriety to the Seller(s), whether or not owned or developed by the Seller(s); which is not generally known by parties other than the Seller(s), and which the Individual(s) signing this agreement may thereby obtain through any direct or indirect contact with the Broker. *Confidential information includes without limitation: Seller(s) business records or plans, financial statements, customer lists and records, vendor list, supplier list, trade secrets, technical information, products, inventions, product design information, pricing structure, discounts, costs, computer programs and listings, source code and/or object code, copyrights and other intellectual property, tangible and intangible assets, and any other propriety information of any form.*



2. PROTECTION OF CONFIDENTIAL INFORMATION. I/We understand and acknowledge that the Seller(s) Confidential Information which has been assembled developed and/or otherwise obtained by the Seller(s) represents a significant investment of time, effort and expense. The Confidential Information provided to me/us represents a valuable, special and unique asset of the Seller(s). I/We understand that Confidential Information provides the seller(s) with a significant competitive advantage and needs to be protected from unfair and improper disclosure. I/We understand that any Seller and/or its principals or authorized party(s) of the Seller(s) who provide Confidential Information, in trust through the Broker, are third party beneficiaries of this Agreement and are entitled to enforce it and recover damages for any breach hereof by me/us. In consideration for the disclosure of Confidential Information, I/We agree to hold in confidence and not to disclose the Confidential Information provided to me/us to any other person or entity under any circumstance, except for my representative(s)[accountants, attorneys, etc. who are participating in the evaluation of Confidential Information in my/our behalf and have been notified of its confidentiality by me/us without prior written consent of the Broker.

In addition, I/We agree to the following sections "2a", "b", "c", "d", "e", "f" and "g".

- a. **No Copying/Modifying.** I/We will not copy or modify in any way Confidential Information as provided, without prior consent of the Broker.
- b. **Application to Employees.** I/We shall not disclose Confidential Information to any employee(s) or other associate(s) of the Seller(s), except those employees or associates who are required to have Confidential Information in order to perform their job duties and/or any other function in connection with the Seller(s) business sale purposes as set forth in this Agreement. Each permitted employee and/or associate with whom Confidential Information is disclosed shall sign a Confidentiality and Non-disclosure agreement similar to or the same as this agreement at the request of the Broker.
- c. **Contact.** I/We agree not to contact the Seller(s), his/her employees or any associate, landlord, lien holder, suppliers or customers for a period of two (2) years from the date of this agreement except through the Broker. During the stipulated two year period, all correspondence, inquiries, offers to purchase and/or negotiations relating to the purchase of any business or lease of any premises presented by the Broker to me/us, including my/our representative(s) as stipulated in Section 2 herein or any other entity that I represent or am otherwise part of, will be conducted exclusively through the Broker. The Broker will make arrangements for all meetings between the Seller(s) and the Individual(s). I/We understand that such face-to-face meetings with the Seller(s) and/or with the party(s) acting on behalf of and so authorized by the Seller(s) are essential and are encouraged in order to obtain additional information concerning a subject business and for the benefit and knowledge of all affected parties as set forth and signature to herein.
- d. **Disclosure of Business Opportunities.** I/We agree to sign a separate business Opportunity(s) Disclosure Statement listing the name and/or file number and/or MLS#, of any business or premise disclosed or presented to the Individual(s) signing this agreement. I/We understand that the Broker is a current member of the Commercial Brokers Association ("CBA") and Northwest Multiple Listing Service ("NWMLS") and agree I/We agree that by signing this agreement, should I/We enter into any agreement to purchase any business that the Broker



offers for sale. Lease, or any other real property, whether with or without the direct involvement of the Broker, I/We understand that I/We may become personally liable for payment of the fee due to the Broker by the Seller(s). I/We understand that should I/We buy, exchange, lease, create a management contract or an option to purchase with any business disclosed to me/us or lease any premise disclosed to me/us or become employed by, merge with, or otherwise from a relationship or connection with any business disclosed to me/us within a period of two(2) years from the date of this Confidentially Agreement and/or from the date I/We sign a separate Business Opportunity(s) Disclosure Agreement which will be attached to and made part of this agreement, then a fee will become immediately due to the Broker. Furthermore, I/We understand and agree that if I/We make a purchase, lease or establish any other relationship with any business that has been presented to me/us by the Broker as described in this agreement, regardless of whether or not I/We elect to continue using the services and assistance available to me/us through the Broker, I/We agree that as a result of any information being disclosed to me/us by the Broker, I/We will become jointly and severally liable for the fee to be paid by the Seller(s) to the Broker.

- e. **Facsimile Transmission.** In the event I/We request the Broker to send Confidential information via facsimile transmission to me/us regarding certain business opportunities, I/We understand and agree that such Confidential Information facsimile transmission shall be considered the same as a personally presented and signed copy of said separate Business Opportunity(s) Disclosure Agreement as referenced in paragraph 2(d), which will be attached to and made part of this agreement.
- f. **Basic Information.** The broker has requested and received information about the presented business(es) directly from the Seller(s) and/or from the party(s) as authorized by the Seller(s). I/We understand that the information provided by the Seller(s) to the Broker has not been verified by the Broker for its accuracy and that the information provided to the Broker by the Seller(s) may not be complete or may not provide me/us with all of the facts which are necessary for me/us to accurately evaluate the condition, financial or otherwise, of any subject business. The Broker will not verify or otherwise guarantee the accuracy or completeness of any information provided by the Seller(s) through the Broker. I/We understand that the Broker is not an expert in the management or operation of any specific business that is listed for sale. I/We will rely upon my/our own final investigation to determine whether I/We ultimately wish to purchase any business offered for sale through the Broker and agree to release and/or hold the Broker, its agents/sales staff and representatives harmless against any cause(s) of action, claims, damages or demands brought against any Broker presented by reason of any inaccuracy or incompleteness of information that has been provided to me/us with respect to any business or real property that I/We may purchase.
- g. **Unauthorized Disclosure of Information.** If it appears that the Individual(s) signing this Agreement has disclosed (or otherwise threatened to disclose) Confidential Information which is deemed in violation of this Agreement, the Broker shall be entitled to an injunction to retrain the Individual(s) signing this Agreement from disclosing, whether in whole or in part, any Confidential Information as set forth herein. The Broker shall not be prohibited by this provision from pursuing other legal remedies, including the initiation of a claim for any loss or damages.



3. RETURN OF CONFIDENTIAL INFORMATION. Upon written request of the Broker, I/We shall within five (5) days, return to the Broker all written materials containing Confidential Information on any specific Broker presented business(es). By signing this Agreement, I/We shall also deliver to the Broker written statement(s) signed by me/us certifying that all previously supplied documents and other Broker presented business materials have been returned within the five (5) day period of my/our receipt of the written Broker request.

4. RELATIONSHIP OF THE PARTIES. The Broker and its agents/sales staff and other representatives are agents for the Seller(s). In the event the Broker becomes an agent for the Seller(s) through its membership with CBA/NWMLS, the Broker will then act as a "Co-Broker" through the CBA/NWMLS and the Seller(s) of the business or property will be bound under the contract with any CBA/NWMLS member thereby providing for a fee to be paid to the Broker by the Seller(s) upon the sale, trade, lease or exchange of the Seller(s) business or property. The Individual(s) signing this Agreement understand that the Broker, through its agents/sales staff and other representatives, will assist me/us in locating a business that I/We have an interest in owning. However, the Individual(s) signing this Agreement understand and agree that such assistance, incidental advice and/or statements made in connection with the Broker assistance process will not, legally or otherwise, convert the Broker nor its agents/sales staff and other representatives into acting as my/our agent **unless the Broker has attached a separate retainer agreement to this agreement: in which case the Individual(s) signing said retainer agreement will become fully responsible for the Brokers fee due under the Seller's separate listing agreement or under the retainer agreement that is attached to and incorporated herein, with fees/commissions due Broker at escrow closing of the Seller(s) business or at the time of Seller(s) business sale, trade, lease, any business management agreement or option to purchase, or any other exchange of the Seller(s) business or property occurs.** *The Individual(s) signing this Agreement acknowledge that I/We have been provided with a pamphlet on the "Law of Real estate Agency", as required under Washington State RCW 18.86.120.*

5. GENERAL PROVISIONS. This Agreement sets forth the entire understanding between all parties signature hereto regarding confidentiality. Any amendment(s) to this Agreement must be set forth in writing and signed by all parties whose signatures appear on this Agreement. This Agreement shall be construed under the laws of the State of Washington. This Agreement shall not be assignable by any party, and no party may delegate its duties under this Agreement, without the prior written consent of the other party(s) signature hereto. The confidentiality provisions of this Agreement together with any separate Business Opportunity(s) Disclosure Statement which is attached and made part of this Agreement, shall remain in full force and affect on and after the effective date of this Agreement and/or the effective date of any other separate Business Opportunity Disclosure Agreement for the term as stipulated herein.

6. STOCK OPTIONS. I/We acknowledge that the Broker is not a licensed securities Broker or dealer by any state or federal agency and in the event that I/We subsequently agree that I/We agree that I/we will purchase shares of stock from the Seller(s) rather than the purchase of the Seller(s) business assets, then the Broker will be entitled to a Finders Fee in an amount equal to the Commission as agreed herein, or as otherwise due under the Brokers Agreement with the Seller(s). I/We agree not to seek to defeat in any way, the right of the Broker to receive its fee as set forth in the covenants of this Agreement, by raising any defense or claim that the Broker brought about the sale of the Seller(s) shares of stock rather than Seller(s) business assets; and in the event that I/We make such a claim, then I/We shall be deemed in default of this



Agreement, and I/We understand and agree that the entire Commission/Fee shall become immediately due and payable to Broker as though the entire listing selling price of the seller(s) business was achieved.

7. ARBITRATION. Any dispute arising out of or relating to the interpretation, enforcement or application of this Agreement which cannot be settled by agreement between the parties signature hereto shall be resolved through final and binding arbitration. Such arbitration shall be conducted upon prompt request or either party(s). If the parties cannot agree upon a mutually acceptable arbitrator, arbitration shall be conducted in accordance with Washington State statutory provisions, specifically RCW 7.04.010 et seq, provided however, that if both parties agree, the arbitration may be conducted in accordance with the rules of commercial arbitration as promulgated by the American Arbitration Association and conducted in King County, Washington. The result of the arbitration may be reduced to a Judgment in the County Superior Court where the business is located. The expense of the arbitration proceedings conducted hereunder shall be borne as determined by the arbitrator.

8. FINANCIAL STATEMENT. I/We agree that if I/We should enter into an agreement to purchase a business that broker offers for sale or lease any real property, I/We agree to provide a financial statement, a personal and business history concerning myself or the companies I/We represent. I/We understand that this information will be held confidential by the owner and Broker and that it will only be used for the purpose of allowing the owner and/or landlord to determine my/our credibility.

IF YOU FIND A BUSINESS THAT INTERESTS YOU, HOW MUCH CAN YOU COMFORTABLY INVEST AS:			
Down Payment: \$ _____	Working Capital: \$ _____	Total Initial Investment: \$ _____	
Resources Available:			
Cash \$ _____	Stocks, Bonds, Securities \$ _____	401K/IRA \$ _____	
Equity \$ _____	Other \$ _____	Loan \$ _____	

BY AFFIXING MY/OUR SIGNATURE(S) BELOW, I/WE ACKNOWLEDGE THAT I/WE HAVE READ THIS AGREEMENT AND FULLY UNDERSTAND AND AGREE TO THE CONDITIONS AS SET FORTH HEREIN.

By: INDIVIDUAL(S) ["I, We, Me, Us, My, Our or Individual(s)]

_____ Name (Print)	_____ Date	_____ Name (Print)	_____ Date
_____ Name (Signature)	_____ Date	_____ Name (Signature)	_____ Date

By: BROKER/AGENT for PBS LLC. dba KR Business Brokers

Name (Print)



BUSINESS OPPORTUNITY(S) DISCLOSURE STATEMENT

List of Businesses Presented By Broker

<u>NAME</u>	<u>FILE #</u>	<u>MLS #</u>

By: INDIVIDUAL(S) ["I, We, Me, Us, My, Our or Individual(s)]

Name (Print) Date

Name (Print) Date

Name (Signature) Date

Name (Signature) Date

