

Falkner Winery

NON-DISCLOSURE AGREEMENT

And Client Registration

This Non-disclosure Agreement (“**Agreement**”) is made effective as of ____, (“**Effective Date**”), by and between Falkner Winery Inc. of 40620 Calle Contento Temecula, California (“**FW**”), by and through its broker and agent, Corcoran Global Living of 44025 Margarita Road, Suite 100, Temecula, California, (“**Exclusive Listing Broker**”) and _____ (Buyer’s Broker/Agent) of _____ (Address) and _____ (Potential Buyer) (collectively “**Recipients**”).

Disclosure is made regarding FW and its winery site and operations for evaluation purposes. FW requested Exclusive Listing Broker obtain an executed Non-Disclosure Agreement and the Recipients agree to protect the confidential material and information, which may be disclosed between FW and the Exclusive Listing Broker and the Recipients. Therefore, the parties agree as follows:

1. Confidential Information. All information, including Personal Information (as defined below), written, electronic or oral, relating to the business, operations, plans, services, facilities, processes, software, methodologies, technologies, intellectual property, research and development, clients and suppliers, partners, principals, employees, consultants and authorized agents of the disclosing party that is supplied by or on behalf of the disclosing party to the other party or otherwise acquired by the other party during the course of dealings between the parties or otherwise, shall be deemed “**Confidential Information.**”

1.1 Confidential Information, as such term relates to FW, shall include the Confidential Information of any FW Affiliate.

2. Use, Dissemination, and Protection Obligations. In consideration of the disclosures hereunder, each party shall keep in confidence the other's Confidential Information as set forth in this Agreement. To this end:

2.1 Each party shall use the other's Confidential Information only for the purposes of the particular business objective or written agreement pursuant to which a given item of Confidential Information was disclosed. Upon the completion of the business objective or the termination of any written agreement pursuant to which a given item of Confidential Information was disclosed, or upon the demand of the disclosing party, an authorized officer of the recipient shall promptly, at the election of the disclosing party, either return to the disclosing party or destroy (including permanently deleting such Confidential Information from all computer records) all Confidential Information in the recipient's possession or control relating to such

business objective or written agreement, and shall certify to the disclosing party as to such return or destruction.

2.2 Neither party may disclose the other's Confidential Information to third persons without the disclosing party's prior written consent, provided that each party may disclose the other's Confidential Information to its employees and authorized agents, subcontractors, partners, principals, and consultants on a need-to-know basis. Each party shall be responsible for ensuring that any of its employees, authorized agents, subcontractors, partners, principals, and consultants who receive Confidential Information have executed written enforceable agreements with the party sufficient to enable it to comply with the foregoing obligations. Further, the parties to this Agreement understand and agree to be jointly and severally liable for any loss, damage, breach of the duty or failure to protect Confidential Information in the hands of or by any of their authorized agents, subcontractors, partners, principals, consultants, affiliates, and subsidiaries.

2.3 The recipient of Confidential Information shall exercise the same degree of care with respect to the disclosing party's Confidential Information as the recipient normally takes to safeguard and preserve its own proprietary information, provided that in no event shall the degree of care be less than a reasonable degree of care. Upon discovery of any prohibited use or disclosure, the recipient of Confidential Information shall immediately notify the disclosing party in writing and shall make its best efforts to prevent any further prohibited use or disclosure; however, such remedial actions shall in no manner relieve the recipient's obligations or liabilities for breach hereunder.

3. Limitations on Obligations. This Agreement shall not restrict disclosure or use of Confidential Information that:

3.1 was, at the time of receipt, otherwise known to the recipient without restrictions as to use or disclosure;

3.2 was in the public domain at the time of disclosure or thereafter enters into the public domain through no breach of this Agreement by the recipient;

3.3 becomes known to the recipient from a source other than the disclosing party, which source has no duty of confidentiality with respect to the information;

3.4 is independently developed by the recipient without reliance on or access to any of the disclosing party's Confidential Information; or

4. Personal Information. Recipients agree to provide the additional protections set forth below for any Personal Information (defined below) obtained from FW or in connection with the provision of services, functions, and/or transactions to be provided under this Agreement. "**Personal Information**" means any individually identifiable information about FW or FW Affiliate customers, clients, employees, partners, principals or other individuals about whom Recipients receive identifiable information in connection with the provision of

services, functions, and/or transactions to be provided under this Agreement. Personal Information is included within the definition of Confidential Information as stated above in this Agreement (and is subject to the provisions of this Agreement protecting Confidential Information), but also shall be subject to the additional protections set forth in this Section 4, including its sub-Sections.

4.1 Recipients agree that they will use and disclose Personal Information only in connection with the services, functions, and/or transactions to be provided under this Agreement, or as required by law and not in violation of applicable law. No other use or disclosure of this information is permitted without the express written consent of FW.

4.2 The “**Limitations on Obligations**” set forth in Section 3 of this Agreement shall not apply to Personal Information. All Personal Information obtained from FW, any FW Affiliate, Exclusive Listing Broker, or in connection with the provision of services to FW, FW Affiliate, or Exclusive Listing Broker, pursuant to this agreement shall be strictly protected pursuant to this Section 4, including its sub-Sections.

4.3 Recipients will develop, implement, use and maintain appropriate administrative, technical and physical safeguards to preserve the integrity and confidentiality of, and to prevent intentional or unintentional non-permitted use or disclosure of, the Personal Information and Confidential Information created or received for or from FW in connection with the services, functions, and/or transactions to be provided under this Agreement. Recipients will document and keep these safeguards current.

4.4 Recipients will require any of their employees authorized agents, subcontractors, partners, principals, consultants, affiliates and subsidiaries, who may receive any FW Personal Information or Confidential Information related to any agreement or services being provided by Recipients to FW, to provide reasonable assurance, evidenced by written contract, that such affiliate, subsidiary, subcontractor or agent will comply with the same privacy and security obligations as Recipients with respect to such Personal Information or Confidential Information.

4.5 Recipients will report to FW any privacy or security Incident of which it becomes aware. An “**Incident**” is defined as an unauthorized access, use, disclosure, modification, or destruction of information or interference with any Personal Information or Confidential Information. Recipients will deliver the written report to the designated contacts in Section 12 of this Agreement not more than five (5) days after Recipients learns of such non-permitted or violating use or disclosure. Recipients’ report will include information concerning the nature and impact of the Incident and Recipients’ steps to mitigate said impact. Recipients shall cooperate as reasonably requested by FW, in order to further investigate and resolve the Incident.

4.6 This agreement shall be effective on the effective date and shall expire one (1) year there after unless terminated earlier. Either party may terminate this agreement prior to the expiration date by giving the other party at least ten (10) days written notice. The parties obligations relating to the treatment of confidential information disclosed hereunder shall remain in effect through the later of expiration or termination of this Agreement or the end of three (3) years from the last disclosure of Confidential Information by one Party to the other under this Agreement. The Parties obligations relating to Personal Information disclosed hereunder shall remain in effect through the later of expiration or termination of this Agreement or the end of five (5) years from the last disclosure of Personal Information by one Party to the other under this Agreement.

5. No Warranty. THE PARTIES HEREBY DISCLAIM ALL WARRANTIES, WHETHER EXPRESS OR IMPLIED, WITH RESPECT TO ANY AND ALL OF THEIR RESPECTIVE CONFIDENTIAL INFORMATION. NEITHER PARTY SHALL BE LIABLE IN DAMAGES OF ANY KIND AS A RESULT OF THE OTHER PARTY'S RELIANCE ON OR USE OF ANY CONFIDENTIAL INFORMATION, UNLESS SUCH RELIANCE OR USE IS EXPRESSLY PERMITTED IN A WRITTEN AGREEMENT SIGNED BY BOTH PARTIES.

6. No License. No license or conveyance of any rights held by either party under any discoveries, inventions, patents, trade secrets, copyrights, or other form of intellectual property is granted or implied by this Agreement or by the disclosure of any Confidential Information pursuant to this Agreement.

7. No Formal Business Obligations. This Agreement shall not constitute, create, give effect to or otherwise imply (i) a joint venture, pooling arrangement, partnership or formal business organization of any kind, or (ii) any obligation or commitment on either party to submit a proposal or to enter into a further contract or business relationship with the other party, or (iii) any obligation to disclose, supply or otherwise communicate any information, general or specific, to the other party. Nothing herein shall be construed as providing for the sharing of profits or losses arising out of efforts of either or both parties.

8. Confidentiality and Intellectual Property Notices. The receiving party of Confidential Information shall not (nor shall it permit or assist others to) alter or remove any confidentiality label, proprietary label, patent marking, copyright notice or other legend placed on Confidential Information, and shall maintain and place any such notices or legends on applicable Confidential Information or copies thereof as directed by the disclosing party. The rights and obligations set forth in this Agreement shall take precedence over any inconsistent specific legend contained on, or any statements made in connection with the disclosure of, any Confidential Information.

9. Governing Law. This Agreement shall be governed by and construed in accordance with the law of the State of California, Riverside County, without regard to its conflicts of law principles. Moreover, it is acknowledged and agreed that Riverside County, State of California shall have jurisdiction over, and be the exclusive venue for, any and all claims or disputes arising out this Agreement.

10. Breach, Injunctive Relief, and Damages. The parties hereby acknowledge that, due to the unique nature of the Confidential Information, the disclosing party's remedies at law are inadequate and that the disclosing party will suffer irreparable harm in the event of breach or threatened breach of any provision of this Agreement. Accordingly, in such event, the disclosing party shall be entitled to seek preliminary and final injunctive relief without a requirement to post bond, as well as any and all other applicable remedies at law or in equity, including the recovery of damages.

10.1 In the event of any dispute over the enforcement and/or breach of any term of this executed Agreement, the prevailing Party thereto shall be entitled to recover reasonable attorneys' fees and costs.

11. Amendments; Waivers; Assignment.

11.1 This Agreement may be amended and any of its terms and conditions may be waived only by a written agreement signed by both parties. No provisions regarding the obligations of the parties with respect to Confidential Information set forth in any subsequent or contemporaneous agreement between the parties will take precedence over this Agreement unless (i) such provisions are specific to a particular business objective, license or other arrangement between the parties and (ii) either (a) such provisions are more stringent than those contained herein or (b) the subsequent agreement specifically refers to this Agreement and waives or amends the applicable provisions hereof.

11.2 The failure of either party at any time or times to require performance of any provision of this Agreement shall in no manner affect its rights at a later time to enforce the same. No waiver by either party of any condition or term shall be deemed to be a continuing waiver of such condition or term or any other condition or term.

11.3 This Agreement shall be binding upon and inure to the benefit of the heirs, successors and permitted assigns of the parties. Neither this Agreement nor the obligations of either party hereunder shall be assignable or transferable by such party without the prior written consent of the other party; provided that FW may transfer this Agreement to any FW Affiliate and either party may transfer this Agreement to a successor in interest without such written consent of the other party. Any attempted assignment of this Agreement without such consent shall be null and void and shall have no effect.

12. Notice. All notices shall be sent in copy to both Falkner Winery, 40620 Calle Contento Rd., Temecula, California 92591, and Corcoran Global Living, 44025 Margarita Road, Suite 100, Temecula, California 92592. Such notice shall be deemed duly delivered on the date of hand-delivery or one day after deposit with an overnight courier with tracking capabilities, or five days after deposit in first class U.S. mail, postage prepaid, return receipt requested.

13. No Publicity. No press release, advertisement, marketing materials or other releases for public consumption concerning or otherwise referring to the terms, conditions or existence of this Agreement shall be published by either party. Neither party shall promote or otherwise disclose the existence of the relationship between the parties evidenced by this Agreement or any other agreement between the parties for purposes of soliciting or procuring sales, clients, investors, financing or other business engagements.

14. Entire Agreement; Counterparts. This Agreement constitutes the entire and exclusive agreement between the parties with respect to the subject matter hereof. All prior agreements, understandings, and proposals, oral or written, between the parties with respect to

the subject matter hereof are superseded by this Agreement. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which, when taken together, shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives as of the date first written above.

EXCLUSIVE LISTING BROKER:

Corcoran Global Living

By: _____
Mike L. Diaz

RECIPIENTS:

Name of Broker: _____

Signature of Broker: _____

Print Name: _____

Name of Agent: _____

Signature of Agent: _____

Print Name: _____

Name of Potential Buyer: _____

Signature of Potential Buyer: _____

Print Name: _____

[INSERT PROPERTY SPECIFICS]