

## CONFIDENTIALITY AGREEMENT

This Confidentiality Agreement ("Agreement") made and entered into this 19<sup>th</sup> day of February, 2022, is by and between Schaedler Yesco Distribution Inc., a Pennsylvania corporation, with its principal office located in Harrisburg, Pennsylvania ("SYD"), and YESCO Electrical Supply, Inc., an Ohio corporation, with its principal office located in Youngstown, Ohio ("YESCO").

WHEREAS, the parties hereto are negotiating the potential purchase of various assets of YESCO by SYD and are contemplating the execution of a Letter of Intent for said potential purchase; and

WHEREAS, as part of the negotiations for the potential purchase contemplated in the foregoing preambles, each party may be providing information to the other ~~for~~ which information they wish to ~~have~~ remain confidential and not disclosed to any third party, including the terms of the negotiations themselves; and

WHEREAS, since the parties regard the information and negotiations set forth in the preceding preambles as being confidential and proprietary in nature and the release of which could damage the disclosing parties and their businesses, they wish to enter into this Agreement to prohibit the same.

NOW, THEREFORE, the parties hereto, with the intent to be legally bound hereby, agree as follows:

1. Each party acknowledges, recognizes and agrees that any information disclosed in the negotiations of the potential purchase by SYD of various assets of YESCO, and the fact that negotiations are indeed occurring or have occurred, all of said information shall be considered confidential and proprietary in nature for all purposes, and shall be safeguarded, refrained from disclosure and held in trust, kept forever confidential and shall not be used to the economic detriment of the disclosing parties or to gain or secure a competitive advantage over the disclosing parties. In addition, the parties receiving any such confidential information shall not, without the prior written consent of the disclosing parties, transmit, release or disclose any such information to any person or

entity for any reason, except as expressly provided in Paragraph 2 below.

2. Any party receiving confidential information may disclose that information to its directors, officers, employees, outside counsel and Independent certified public accountants **or as required by Court Order** (collectively “Representatives”), but only to those persons who have a bona fide need to know such information for the sole purpose of considering the appropriateness of the transactions being negotiated or advising the party receiving such information with respect thereto and so long as said Representatives agree that they will: (a) not use such information in any other business or capacity; (b) maintain the confidentiality of such information; (c) not make unauthorized copies of any portion of such information disclosed to them; and (d) treat said information with the same degree of care that they use to protect their own confidential information of similar kind, but in no event less than a reasonable standard of care. Any and all information received by any Representative shall be returned to the disclosing party immediately upon demand.

3. It is agreed that upon written demand of a disclosing party, the party receiving any written information shall, without retaining any copies thereof, return all such information to the disclosing party.

4. This Agreement is intended by the parties to be an on-going and continuing agreement and the return of any information as set forth in the preceding paragraph shall not relieve any party from continuing to comply with all of the terms and conditions hereof. The terms of this Agreement apply to all information disclosed whether said information was disclosed before or after execution of this Agreement or any other agreement between the parties. The rights and obligations imposed on the parties by this Agreement shall survive the termination of this Agreement and shall be perpetual in nature and shall have no expiration.

5. The parties acknowledge, recognize and agree that a breach of any one or more of the provisions of this Agreement will result in irreparable and continuing damage to the other parties for which there will be no adequate remedy at law, and therefore in the event of any such breach or threatened breach, the parties affected by such disclosure shall be entitled to specific performance

and injunctive relief (without the requirement of posting a bond), provided, however, that the foregoing shall not preclude such parties from seeking or obtaining any other equitable or legal remedy or relief available to them.

6. This Agreement may be executed in any number of counterparts, each of which, when so executed, shall be deemed an original.

7. This Agreement shall be binding on and inure to the benefit of the parties hereto and their respective legal representatives, successors and assigns. No party may assign any right, interest, and/or obligation under this Agreement without first obtaining the express written consent of the other party to this Agreement.

8. ~~This Agreement shall be construed and governed by the laws of the Commonwealth of Pennsylvania.~~ This Agreement shall be governed by and construed in accordance with the laws of the state of Ohio without reference to conflict of laws principles that would compel the application of the substantive laws of another jurisdiction. Each party irrevocably submits to the jurisdiction of the courts of the state of Ohio which are venued in Mahoning County, Ohio, and the United States District Court for the Northern District of Ohio, in connection with any action, suit, or proceeding relating to or arising out of this Agreement or any disclosure hereunder. Each party, to the maximum extent permitted by law, waives any objection to the jurisdiction of such courts on the basis of inconvenient forum or otherwise and agrees that venue in such courts is proper.

9. This Agreement constitutes the only agreement of the parties respecting the subject matter hereof, supersedes any and all prior agreements, understandings or discussions, whether written or oral, and may be amended or supplemented subsequent to the date hereof only by a written instrument duly executed by each party. In addition, if any provision of this Agreement shall be held invalid or unenforceable, such provision shall be deemed deleted herefrom and replaced by a valid and enforceable provision which so far as possible achieves the parties' intent in agreeing to the original provision. The remaining provisions hereof shall continue in full force and effect.

10. Neither this Agreement nor any discussions or disclosures hereunder shall constitute a commitment to any business relationship, contract or future dealings between the parties nor prevent

either party from conducting discussions or performing services with any third parties. Each party may, in its sole discretion, terminate discussions and negotiations with the other party at any time and for any reason.

11. Each party understands and acknowledges that the other party, including the other party's Representatives, do not make any representation or warranty, express or implied, as to the accuracy or completeness of the information made available pursuant to this Agreement and that no party, including each party's Representatives, shall have any liability relating to or resulting from the use or reliance upon said information or errors therein or omissions therefrom. Only those representations or warranties which are made in a final definitive agreement regarding a possible transaction with or involving the other party, when, as and if executed, and subject to such limitations and restrictions as may be specified therein, will have any legal effect. Furthermore, each party agrees that any and all information disclosed pursuant to this Agreement is owned by the disclosing party and said information shall remain the property of the disclosing party and the receiving party shall not have any interest in said information and/or a license to use said information.

IN WITNESS WHEREOF, the parties hereto have signed this Agreement on the day and year first above written.

ATTEST:

Schaedler Yesco Distribution, Inc., a  
Pennsylvania corporation

\_\_\_\_\_  
WITNESS:

By: \_\_\_\_\_  
Farrah Mittel  
President

ATTEST:

Yesco Electrical Supply, Inc., an Ohio  
corporation

\_\_\_\_\_  
WITNESS:

By: \_\_\_\_\_  
Lee DeRose  
President