

# NONDISCLOSURE, CONFIDENTIALITY, AND NON-CIRCUMVENTION AGREEMENT

*(Business Acquisition Evaluation – Collision Repair, Auto Glass Replacement, and Paintless Dent Removal Business)*

This Nondisclosure, Confidentiality, and Non-Circumvention Agreement (“Agreement”) is entered into as of \_\_\_\_\_, 2026 (“Effective Date”), by and between KC Colors Auto Body (“Disclosing Party”) and \_\_\_\_\_ (“Receiving Party”). KC Colors Auto Body owns and operates a business engaged in automotive collision repair, automotive glass replacement, and paintless dent removal services, among other services (the “Business”). The Receiving Party desires to evaluate the possible purchase, investment in, or other transaction involving the Business (the “Transaction”). In connection with evaluating the Transaction, the Disclosing Party may disclose certain confidential and proprietary information relating to the Business.

## 1. Purpose of Disclosure

Confidential Information shall be disclosed solely for the purpose of allowing the Receiving Party to evaluate a potential purchase or investment in the Business. Receiving Party shall not use the Confidential Information for any purpose other than evaluating the Transaction.

## 2. Definition of Confidential Information

For purposes of this Agreement, “**Confidential Information**” means **all non-public information relating to the Business**, whether written, oral, electronic, or otherwise, including but not limited to:

### A. Financial Information

- Business valuation information
- Revenue and sales figures
- Profit and loss statements
- Balance sheets
- Financial projections and forecasts
- Pricing structures and margins
- Tax returns and accounting records

## **B. Customer and Insurance Relationships**

- Customer lists and contact information
- Insurance carrier relationships
- Direct Repair Program (“DRP”) relationships
- Dealership and referral relationships
- Vendor and supplier information

## **C. Business Operations**

- Repair processes and procedures
- Paintless dent removal techniques
- Glass replacement procedures
- Shop workflow and operational systems
- Equipment lists and shop layout
- Training materials and internal procedures

## **D. Commercial Information**

- Marketing strategies
- Cost structures and pricing models
- Vendor contracts and supply pricing
- Business strategies and growth plans

## **E. Personnel**

- Employee identities
- Compensation structures
- Technician productivity metrics
- Staffing models

## **F. Transaction Information**

- The fact that discussions are occurring regarding a potential sale of the Business
- The valuation of the Business

- Any proposed terms or structure of the Transaction

Confidential Information includes all notes, analyses, summaries, compilations, studies, or other materials prepared by the Receiving Party that contain or reflect such information.

### **3. Confidentiality Legend**

The Disclosing Party may designate materials with the legend 'CONFIDENTIAL'. Failure to mark information shall not affect its confidential status if the information would reasonably be understood to be confidential.

### **4. Exclusions**

Confidential Information does not include information publicly available through no fault of the Receiving Party, previously known to the Receiving Party, independently developed without use of Confidential Information, or disclosed with prior written consent.

### **5. Confidentiality Obligations**

Receiving Party agrees that it shall:

1. Maintain all Confidential Information in strict confidence.
2. Not disclose any Confidential Information to any third party without the prior written consent of the Disclosing Party.
3. Not disclose the value, revenues, financial condition, customers, processes, or operations of the Business to any person or entity.
4. Not disclose the existence of discussions regarding the potential sale of the Business.
5. Use Confidential Information solely for the purpose of evaluating the Transaction.

### **6. Limited Disclosure to Advisors**

The Receiving Party may disclose Confidential Information only to attorneys, accountants, lenders, or financial advisors who have a legitimate need to review the information for purposes of evaluating the Transaction and are bound by confidentiality obligations.

### **7. No Contact With Customers, Employees, or Vendors**

The Receiving Party shall not contact any customer, insurance carrier, Direct Repair Program partner, vendor, supplier, dealership, referral partner, employee, technician, or contractor of the Business for any purpose related to the Business or the Transaction without prior written consent.

### **8. Site Visits and Inspections**

The Receiving Party shall not visit or inspect the Business or observe operations without prior written consent of the Disclosing Party and a representative of the Disclosing Party present.

**9. DRP and Insurance Relationship Protection** The Receiving Party shall not contact or attempt to establish independent relationships with any insurance carrier, Direct Repair Program, dealership referral source, or insurer identified through the Confidential Information. **10. Non-Solicitation** For two (2) years the Receiving Party shall not solicit customers of the Business; hire, recruit, or solicit employees or technicians of the Business; or interfere with vendor, supplier, or insurance relationships of the Business using Confidential Information. **11. Non-Circumvention** Receiving Party acknowledges that the Confidential Information may include information concerning customers, referral sources, insurance carriers, Direct Repair Program relationships, vendors, suppliers, and other business relationships.

Receiving Party agrees that it shall not directly or indirectly circumvent the Disclosing Party by using the Confidential Information to:

- solicit or transact business with any customers, insurers, DRP partners, vendors, suppliers, or referral sources of the Business;
- attempt to obtain work or business opportunities from such parties;
- structure a transaction that bypasses the Disclosing Party after learning of the opportunity through the Confidential Information.

This non-circumvention obligation shall remain in effect for three (3) years from the Effective Date of this Agreement.

## **12. Standstill / Competitive Restriction**

In consideration for receiving Confidential Information regarding the Business, the Receiving Party agrees that for a period of two (2) years from the Effective Date of this Agreement it shall not, directly or indirectly:

- acquire, invest in, or establish any business primarily engaged in automotive collision repair, paintless dent removal, or auto glass replacement within a fifty (50) mile radius of the Business; or use Confidential Information obtained under this Agreement to establish or
- assist another person or entity in establishing a competing business.

This restriction shall not apply to businesses owned by the Receiving Party prior to the Effective Date of this Agreement, provided that such businesses do not use Confidential Information obtained under this Agreement.

### **13. Return or Destruction**

Upon request, the Receiving Party shall return or destroy all Confidential Information, including electronic copies, and certify destruction.

### **14. Ownership**

All Confidential Information remains the exclusive property of KC Colors Auto Body. Nothing contained in this Agreement shall be construed as granting the Receiving Party any license, ownership interest, or other rights in the Confidential Information or in the Business.

### **15. Liquidated Damages**

The parties acknowledge that the damages resulting from unauthorized disclosure or misuse of Confidential Information may be difficult to determine with precision.

Accordingly, the parties agree that if Receiving Party breaches this Agreement by disclosing or using Confidential Information in violation of its terms, the Disclosing Party shall be entitled to liquidated damages in the amount of One Hundred Thousand Dollars (\$100,000) per breach, in addition to any other remedies available at law or in equity.

The parties agree that this amount represents a reasonable estimate of damages and is not intended as a penalty.

### **16. Injunctive Relief**

Receiving Party acknowledges that unauthorized disclosure of Confidential Information would cause irreparable harm to the Disclosing Party.

Accordingly, the Disclosing Party shall be entitled to injunctive relief, specific performance, and other equitable remedies, in addition to monetary damages, without the requirement to post bond.

### **17. Term**

The confidentiality obligations remain in effect for five (5) years and indefinitely for trade secrets.

### **18. Attorneys' Fees**

In any action arising out of or relating to this Agreement, the prevailing party shall be entitled to recover its reasonable attorneys' fees, expert fees, and litigation costs.

### **19. Governing Law; Kansas Venue; Jury Trial Waiver**

This Agreement shall be governed by Kansas law. Any dispute shall be brought exclusively in the state or federal courts located in Johnson County, Kansas. EACH PARTY KNOWINGLY WAIVES ANY RIGHT TO A JURY TRIAL.

**20. Entire Agreement**

This Agreement constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes all prior negotiations, discussions, or agreements.

This Agreement may only be amended by a written document signed by both parties.

**21. Severability**

If any provision is invalid or unenforceable, the remaining provisions shall remain in full force and effect.

**22. Counterparts**

This Agreement may be executed in counterparts and electronic signatures shall be valid.

**DISCLOSING PARTY**

KC Colors Auto Body

Signature:

Name: Timothy Rae Schumacher

Title: PRESIDENT/CEO

Date: 03/12/2026

**LISTING BROKERAGE**

REAL BROKER, LLC

Signature:

Name: Kaleena Schumacher

Title: REALTOR

Date: 03/12/2026

**RECEIVING PARTY**

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**LISTING BROKERAGE**

Signature:

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_