

Daphne's California Greek Restaurants

5 Units in San Diego County for Auction and Sale

FranBizNetwork is working with Chapter 7 Trustee on the sale of Daphne's, a fast-casual Mediterranean concept in California. There are 5 units in San Diego county currently in bankruptcy, units can be sold all together or individually.

Please sign and submit attached NDA in order to receive additional information.

Store	Extrapolated Sales*	Extrapolated Net*	Minimum Price
1	\$701,490	\$60,619	\$150,000
2	\$874,916	\$40,855	\$20,000
3	\$770,486	\$16,470	\$25,000
4	\$753,892	\$8,075	\$20,000
5	\$1,038,775	\$105,707	\$185,000
TOTAL	\$4,139,559	\$231,726	

**based on May-Sept 2019 financials*



CONFIDENTIAL AND PROPRIETARY INFORMATION

NON-DISCLOSURE AGREEMENT

This Confidential and Proprietary Information Non-Disclosure Agreement (“**Agreement**”) is entered into by and between RONALD E. STADTMUELLER, as duly appointed bankruptcy trustee (the “**Trustee**”) for Karma Capital, Inc., chapter 7 debtor (the “**Company**”) in Case No. 19-01962-LA7 (the “**Case**”) in the United States Bankruptcy Court for the Southern District of California (the “**Bankruptcy Court**”), and _____ (together with its affiliates, “**Recipient**”). The Trustee and Recipient hereby agree as follows:

In connection with the potential purchase of certain assets of the Company (the “**Transaction**”), Recipient will have access to certain financial, technical, and other information concerning the business and affairs of the Company. As a condition to the Trustee’s furnishing to Recipient such information, Recipient agrees to comply with the terms and conditions set forth in this Agreement.

1. **CONFIDENTIAL INFORMATION.** All information that the Trustee or any of its agents (including, without limitation, the Trustee’s attorneys or accountants), furnish to Recipient (“**Confidential Information,**” defined in more detail below) shall be used solely to evaluate the proposed Transaction, shall not be used by Recipient in any way adverse (or reasonably foreseeable to be adverse) to the Trustee or the Company and such information at all times will be kept strictly confidential; provided, however, that (a) such information may be disclosed by Recipient to its financial advisors (including lawyers, investment bankers, and accountants) who have a need to know such information for the purpose of evaluating the Transaction only if such advisors are informed by Recipient of the confidential nature of such information and (b) any disclosure of such information shall be made only after the Trustee has consented in writing to such disclosure or as permitted herein. Recipient will be responsible for any breach of this Agreement by such advisors. Recipient shall exercise all reasonable steps to safeguard the confidentiality of Confidential Information.

(a) Notwithstanding the foregoing, if Recipient has been requested or is required (by oral questions, interrogatories, requests for information or documents, subpoena, civil investigative demand or similar process) or by any other legal requirement to disclose any Confidential Information, Recipient will promptly notify the Trustee of such request(s) so that the Trustee may seek an appropriate protective order or waiver of Recipient’s compliance with the provisions of this Agreement. Recipient warrants that Recipient will cooperate fully with the Trustee in seeking any protective order. If, in the absence of a protective order or the receipt of a waiver under this Agreement, Recipient is nonetheless, in the reasonable opinion of Recipient’s counsel, compelled to disclose Confidential Information or else stand liable for contempt or suffer other censure or penalty, Recipient may disclose such information pursuant to such request or requirement without liability under this Agreement.

(b) The term “**Confidential Information**” includes all information furnished to Recipient by the Trustee or its representatives or agents and all analyses, compilations, studies or other material prepared by Recipient containing or based in whole or in part upon such information

furnished to Recipient by the Trustee, but does not include information which (i) is or becomes generally available to the public other than as a result of a disclosure by Recipient, (ii) was available to Recipient on a non-confidential basis prior to its disclosure to Recipient by the Trustee or its agents, provided that such source is not known to Recipient, after reasonable investigation, to be bound by a confidentiality agreement with or other contractual, fiduciary or legal obligation of confidentiality to the Trustee with respect to such material, or (iii) becomes available to Recipient on a non-confidential basis from a source other than the Trustee or its representatives, provided that such source was not known to Recipient, after reasonable investigation, to be bound by a confidentiality with or other contractual, fiduciary or legal obligation of confidentiality to the Trustee with respect to such material.

2. RETURN OF CONFIDENTIAL INFORMATION. If Recipient does not make a bid or if it is not approved as successful purchaser by the Bankruptcy Court, and upon notice from the Trustee or the successful purchaser, Recipient will promptly deliver to the Trustee all Confidential Information and will cause all copies and summaries or synopses thereof to be returned or destroyed. Such destruction shall be confirmed in writing to the Trustee.

3. **NO REPRESENTATION OR WARRANTY. RECIPIENT UNDERSTANDS AND ACKNOWLEDGES THAT NEITHER THE TRUSTEE NOR ITS AGENTS (INCLUDING, WITHOUT LIMITATION, THE TRUSTEE'S BROKER AND ATTORNEYS) ARE MAKING ANY REPRESENTATION OR WARRANTY AS TO THE ACCURACY, COMPLETENESS, OR SUBSTANCE OF ANY CONFIDENTIAL INFORMATION** (except in the case of the Trustee to the extent and only to such extent as shall be expressly set forth in an executed and delivered purchase agreement between the Trustee and Recipient or a third party to effect the sale). Most of the Confidential Information concerns the condition of the Company's assets before the Trustee was appointed in the Case. **IT IS UNDERSTOOD AND AGREED THAT, UNLESS EXPRESSLY STATED IN THE APPLICABLE ASSET PURCHASE AGREEMENT, THE TRUSTEE AND HIS AGENTS ARE NOT MAKING AND WILL NOT MAKE ANY WARRANTIES OR REPRESENTATIONS OF ANY KIND OR CHARACTER, EXPRESS OR IMPLIED, WITH RESPECT TO THE ASSETS, INCLUDING BUT NOT LIMITED TO ANY WARRANTIES OR REPRESENTATIONS AS TO MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.**

_____ *Recipient's Initials*

4. NO RIGHT, TITLE OR INTEREST. Recipient will not acquire any right, title, or interest of any nature whatsoever in and to the Confidential Information as a result of meetings with or disclosures to Recipient.

5. REMEDIES. The Trustee and Recipient agree and acknowledge that it would be impossible to measure in money the damage to the Trustee caused by any failure of Recipient to comply with the requirements of this Agreement, that each of the covenants and agreements in this Agreement is material, and that in the event of any such failure, the Trustee will not have an adequate remedy at law or in damages. Accordingly, in addition to any other remedies which the Trustee may have at law or equity, Recipient agrees and consents to the issuance of an injunction or the enforcement of other equitable remedies against it by the Bankruptcy Court, without bond or other

security, to compel performance of all of the terms of this Agreement, and Recipient waives the defense of the availability of relief in damages.

6. GOVERNING LAW, JURISDICTION, AND VENUE. This Agreement is for the benefit of the Trustee and shall be governed by the laws of the State of California without giving effect to choice of law doctrines. Each party to this Agreement consents to exclusive personal jurisdiction in the Bankruptcy Court and voluntarily submits to the jurisdiction of the Bankruptcy Court, or, should the Bankruptcy Court decline for any reason to hear the matter, to any state or federal court located in the County of San Diego, in any action or proceeding with respect to this Agreement. Recipient hereby irrevocably and unconditionally waives any objection to such venue as an inconvenient forum. Recipient agrees that a final judgment in any suit, action, or proceeding brought in such court shall be conclusive and binding upon Recipient and may be enforced in any other courts to whose jurisdiction Recipient is or may be subject by suit upon such judgment.

7. MISCELLANEOUS. It is further understood and agreed by Recipient that no failure or delay by the Trustee in exercising any right, power, or privilege under this Agreement shall operate as a waiver of such right, power, or privilege, nor shall any partial exercise of such right, power, or privilege preclude any other or further exercise of such right, power, or privilege under this Agreement. If any provision of this Agreement is determined to be invalid or unenforceable for any reason, in whole or in part, because such provision is too broad, either geographically or too long in time, such provision shall be interpreted to provide the maximum geographic or length of protection of the Trustee permitted by law. If any other provision of this Agreement is determined to be invalid or unenforceable, the remaining provisions of this Agreement shall be unaffected thereby and shall remain in full force and effect to the fullest extent permitted by law. This Agreement may only be modified in writing, signed by both the Trustee and Recipient. This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original and such counterparts shall together constitute one and the same agreement. Counterparts may be delivered via facsimile, electronic mail (including pdf), or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year indicated below.

Dated: _____, 2019

Ronald E. Stadtmueller, Chapter 7 Trustee
for Karma Capital, Inc.,
Case No. 19-01962-LA7

Dated: _____, 2019

Name: _____
Title: _____