

CASTLE TIMBERLANDS

CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT

_____, (the “Receiving Party”) has requested certain information (“Information”) from The Molpus Woodlands Group, LLC, SWF Red River Land, LLC and SWF Red River Timber, LLC, (collectively, “MWG”) in connection with advancing discussions the potential acquisition by the Receiving Party of certain assets of SWF River Land, LLC and SWF Red River Timber, LLC (the “Transaction”). As a condition to furnishing the Information to the Receiving Party or its Representatives (which term includes all employees, officers, managers, members, shareholders and directors of the Receiving Party has executed this Confidentiality and Non-Disclosure Agreement (“Agreement”) effective as of the date upon which MWG executes this agreement.

NOW, THEREFORE, the parties agree as follows:

1. **INFORMATION.** For purposes of this Agreement, the term “Information” means: (a) any information regarding the Transaction that is furnished to the Receiving Party or its Representatives by or on behalf of MWG, whether furnished before, on, or after the date of the Agreement and regardless of the manner in which it is furnished or who furnishes it on behalf of MWG; and (b) any notes, memoranda, analyses, compilations, studies, charts, diagrams, reports, videotapes, computer programs, projections or other documents prepared by the Receiving Party or any of its Representatives, that include or in any way reflect such information. Information does not include information, if any, that: (a) is or becomes generally available to the public other than as a result of a disclosure by the Receiving Party or its Representatives; (b) is or becomes available to the Receiving Party on a non-confidential basis from a source other than MWG or its authorized representatives; provided that, to the Receiving Party’s knowledge after reasonable inquiry, such source is not bound by a confidentiality agreement or otherwise prohibited from transmitting the information; (c) can be reasonably shown to have been within the Receiving Party’s possession prior to its being furnished to the Receiving Party by or on behalf of MWG; (d) can be shown to have been developed independently without use of any information from MWG; or (e) the Receiving Party is advised by legal counsel that it is required to disclose pursuant to law, regulations, or for an order of a court of competent jurisdiction, provided that MWG must be afforded a reasonable opportunity to limit such disclosure as provided in paragraph 2(b) below or otherwise as MWG may elect, in its sole judgement, to preserve the confidentiality and non-disclosure of the Information. In addition, the Receiving Party shall treat as confidential the fact that MWG and the Receiving Party are discussing a possible Transaction.

2. **CONFIDENTIALITY AND NON-DISCLOSURE OBLIGATIONS.**

(a) **PROPER USE OF INFORMATION.** The Receiving Party hereby agrees that it and its Representatives will (i) use the Information solely for the purpose of evaluating and completing the Transaction; and (ii) keep the Information confidential and not disclose any Information (or the existence of the potential Transaction) to any third party, except as may be authorized in writing by MWG in advance of disclosure. The Receiving Party will be responsible for any and all failures of its Representatives to abide by this Agreement.

(b) **PROTECTION FROM DISCLOSURE.** If the Receiving Party is requested or required to disclose all or any part of the Information under the terms of a subpoena, discovery request, or other order issued by a court of competent jurisdiction or by another governmental agency, the Receiving Party will promptly notify MWG of such request or requirement so that MWG may intervene or seek an appropriate protective order or waive compliance with the terms of this Agreement. If, in the absence of a protective order or the receipt of a waiver hereunder, the Receiving Party is, in the opinion of its counsel, likely to be compelled to disclose Information or potentially be liable for contempt or suffer other censure or penalty, the Receiving Party may disclose only that portion of the Information that its counsel advises Receiving party should disclose and will exercise reasonable efforts to preserve the confidentiality of the Information, including, without limitation to cooperating with MWG in its efforts to obtain assurance that confidential treatment will be accorded to that portion of the Information that is disclosed.

of this paragraph will not apply to any action or proceeding brought by either party against the other party to enforce the provisions of this Agreement.

(c) **RETURN/DESTRUCTION.** In the event that Receiving Party determines not to proceed with the Transaction and, in any event within five days after being requested by MWG to do so, the Receiving Party will return or destroy all documents containing or reflecting any Information and such destruction will be certified in writing to MWG by an authorized officer supervising such destruction. Notwithstanding the return or destruction of the Information, the Receiving Party and its Representatives remain subject to the confidentiality obligations set forth in this Agreement.

3. **TERM.** The Receiving Party agrees that the Information will be kept confidential by it and its Representatives for a period of three years from the date of this Agreement or until a definitive purchase and sale agreement is executed by Receiving Party and MWG's client(s), whichever is sooner.

4. **OWNERSHIP.** All Information disclosed by MWG will be and shall remain the sole and exclusive property of MWG. In no event will the Receiving Party acquire or be deemed by virtue of this Agreement to have acquired any right or interest by license or otherwise, in or to the Information. Without limiting the generality of the previous sentence, the parties agree that no license to a party, under any trademark, patent, copyright or any other intellectual property rights, is either granted or implied by the conveying of Information to such party.

5. **NO REPRESENTATIONS AS TO ACCURACY.** Although MWG has endeavored to include in the Information all information that it believes to be relevant for the Transaction, The Receiving Party acknowledges that the Information is being provided without any representation or warranty, express or implied, as to the accuracy or completeness of the Information, including, without limitation, any cruise, inventory, or acreage information. The Receiving Party assumes full responsibility for all conclusions it derives from the Information and neither MWG nor any of its managers, principals, employees, agents, representatives, affiliates or any other parties will have any will have any liability to the Receiving Party or its Representatives with respect to such conclusions or any Information or its accuracy or completeness.

6. **OTHER.**

(a) **AUTHORITY.** Each party to this Agreement, and each individual signing on behalf of each party, hereby represents and warrants to the other that it has full power and authority to enter into this Agreement and that its execution, delivery, and performance of this Agreement has been fully authorized and approved, and that no further approvals or consents are required to bind such party.

(b) **EQUITABLE RELIEF.** The Receiving Party agrees that money damages would not be a sufficient remedy for any breach of this Agreement by it or any of its Representatives and that MWG is entitled to equitable relief, including injunction and specific performance, in the event of any such breach. Such remedies are not the exclusive remedies for a breach by the Receiving Party or its Representatives of this Agreement, but are in addition to all other remedies available at law or equity to MWG.

(c) **AFFILIATES, SUCCESSORS, AND ASSIGNS.** This Agreement is binding upon and inures to the benefit of the parties hereto and their respective successors and assigns.

(d) **INTEGRATED AGREEMENT; MODIFICATION.** This Agreement constitutes the entire agreement and understanding of the parties with respect to the subject matter and supersedes all prior negotiations and representations. This Agreement may not be modified except in writing signed by the parties.

(e) **SURVIVAL.** The provisions of this Agreement will survive any termination or closing of the Transaction, unless such provisions are expressly terminated in writing by the parties.

(f) **INTERPRETATION.** Each party acknowledges that it and its legal counsel have reviewed this Agreement. The parties agree that the terms and conditions of this Agreement shall not be construed against any party on the basis of such party's drafting, in whole or in part, of such terms and conditions.

(g) **CHOICE OF LAW; VENUE.** This Agreement is governed by and is to be construed in accordance with the laws of the State of Mississippi without regard to its conflict of law provisions.

(h) **ATTORNEYS' FEES.** If any legal action or proceeding is commenced by either party in order to enforce this Agreement or any provision hereof, or in connection with any alleged dispute, breach, default, or misrepresentation in connection with any provision herein contained, the prevailing party will be entitled to recover reasonable attorneys' fees and costs incurred in connection with such action or proceeding, including any appeal therefrom.

(i) **SEVERABILITY.** If any provision of this Agreement is held to be invalid or unenforceable, such provision will not affect or invalidate the remainder of this Agreement, and to this end the provisions of this Agreement are declared to be severable. If such invalidity becomes known or apparent to the parties, the parties agree to negotiate promptly in good faith in an attempt to amend such provision as nearly as possible to be consistent with the intent of this Agreement.

(j) **FACSIMILES, ELECTRONIC SIGNATURE AND E-MAIL.** The counterparts of this Agreement Documents may be executed and delivered by facsimile or other electronic signature by any of the parties to any other party and the receiving party may rely on the receipt of such document so executed and delivered by facsimile or other electronic means as if the original had been received.

(k) **COUNTERPARTS.** This Agreement may be executed in one or more counterparts, each of which will be deemed an original, and all of which counterparts together will constitute the same instrument, which may be sufficiently evidenced by one counterpart. Execution of this Agreement at different times and places by the parties will not affect the validity thereof so long as all the parties hereto execute a counterpart of this Agreement.

(l) **RELATIONSHIP OF THE PARTIES.** The parties hereto agree that no employment, agency, joint venture, partnership, or fiduciary relationship shall be deemed to exist or arise between them with respect to this agreement or the proposed Transaction.

IN WITNESS WHEREOF, the undersigned duly authorized representatives of the parties hereto have executed and delivered this Agreement as of the date first above written.

THE MOLPUS WOODLANDS GROUP, LLC

By:

Name: Michael R. Cooper
Title: General Counsel
654 North State Street Jackson, MS 39202
Telephone 601-948-8733 ext. 221

Date:

(The "Receiving Party")

By: _____

Name: _____

Title: _____

Address: _____

Telephone: _____

**SWF RED RIVER LAND, LLC
SWF RED RIVER TIMBER, LLC**

By:

Name: Michael R. Cooper
Title: General Counsel of The Molpus Woodlands Group,
LLC, the duly authorized agent and property manager
654 North State Street Jackson, MS 39202
Telephone 601-948-8733 ext. 221