

MUTUAL CONFIDENTIAL NON-DISCLOSURE AGREEMENT

PARTIES

This Non-Disclosure Agreement ("Agreement") having an effective date of _____ between Prym Consumer USA Inc. (PCUSA) whose mailing address is P. O. Box 5028, Spartanburg, South Carolina 29304-5028 and _____ having a mailing address of _____

RECITAL

WHEREAS, PCUSA anticipates the disclosure of Confidential Information to the Recipient;

WHEREAS, Recipient anticipates the disclosure of Confidential Information to PCUSA;

WHEREAS, both PCUSA and Recipient each desire to mutually exchange and receive Confidential Information with each other;

NOW, therefore, in consideration of the foregoing and other good and valuable consideration, receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

TERMS OF AGREEMENT

1. DEFINITIONS

"Confidential Information" means any information not generally known and which is disclosed to one party by the other party either directly or indirectly in writing, orally or by inspection of tangible objects. Confidential Information includes trade secrets, formulas, patterns, compilations, programs, devices, methods, techniques, products, systems, processes, designs, prototypes, procedures, codes, business plans, financial data, business records, and marketing plans. The Confidential Information that is being provided relates generally to Sewing, Quilting, Fashion and Soft Crafts. ("Disclosure") and shall include, without limitation, all information relating to the Disclosure. Confidential Information shall not, however, include any information which the Receiving Party can establish:

- (i) is in the possession of the Receiving Party, without confidentiality restrictions, at the time of the Disclosure as shown by the Receiving Party's files and records prior to the time of disclosure;
- (ii) becomes generally available to the public, other than as a result of disclosure by the Receiving Party or its Representatives in violation of this agreement;
- (iii) was or becomes available to the Receiving Party on a non-confidential basis from a source other than the Disclosing Party;
- (iv) is provided by the Disclosing Party to a third party without a duty of confidentiality;
- (v) is at any time independently developed by the Receiving Party, provided that the person or persons developing the same do not have access to the Confidential Information of the Disclosing Party prior to such independent development; or
- (vi) is approved for release by written authorization of the Disclosing Party.

“Disclosing Party” shall mean the party which is providing Confidential Information to the Receiving Party.

“Recipient” shall include any Person that directly, or indirectly through one or more intermediaries is controlled by the Recipient.

“Person” shall mean any individual, corporation, general or limited partnership, limited liability company, joint venture, organization, or other entity.

“Representatives” shall mean PCUSA's or the Recipient's respective directors, officers, employees, agents, partners, associates, advisors, or consultants.

“Receiving Party” shall mean the party that receives Confidential Information from the Disclosing Party.

2. **DURATION.** This Agreement shall have an initial term of 24 months (Initial Term) during which time the parties may exchange Confidential Information. The Initial Term may be extended only through the mutual written agreement of the parties. Following expiration of the Initial Term or any agreed to extension, neither party has the right to make additional disclosures to the other. Information disclosed outside the Initial Term or any extension of the Agreement is not subject to any of the terms of this Agreement. The Parties' obligations of confidentiality shall survive termination of this Agreement.

3. **NON-USE AND NON-DISCLOSURE.** A Receiving Party shall not (a) disclose any Confidential Information to third parties without the express written consent of the Disclosing Party or (b) use any Confidential Information for any purpose except to evaluate and engage in discussions concerning a potential business relationship with the Disclosing Party or to perform services on behalf of the Disclosing Party.

4. **MAINTENANCE OF CONFIDENTIALITY.** A Receiving Party shall take reasonable measures to protect the secrecy of and avoid disclosure and unauthorized use of the Confidential Information. Without limiting the foregoing, a Receiving Party shall take at least those measures that it takes to protect its own most highly Confidential Information. A Receiving Party shall disclose Confidential Information only to its Representatives who have a need to know the Confidential Information and agree to abide by the terms and conditions of this Agreement. The Receiving Party shall reproduce the Disclosing Party's proprietary rights notices on any copies made of Confidential Information, in the same manner in which such notices were set forth in or on the original. A Receiving Party shall immediately notify the Disclosing Party in the event of any unauthorized use or disclosure of the Confidential Information.

5. **NO OBLIGATION.** Nothing in this Agreement shall obligate PCUSA or the Recipient to proceed with any transaction between them and each party reserves the right, in its sole discretion, to terminate the discussions contemplated by this Agreement.

6. **NO WARRANTY.** All Confidential Information is provided "as is." Other than as may be expressly set forth in any separate agreement between PCUSA and the Recipient, PCUSA makes no warranties, express, implied or otherwise, regarding its accuracy, completeness, or performance.

7. **NO LICENSE.** Nothing in this Agreement is intended to grant any rights to the Recipient in or to the Confidential Information.

8. **RETURN OF MATERIALS.** All documents and other tangible objects containing or representing Confidential Information, any summary related to the Confidential Information, and all copies which are in a Receiving Party's possession shall be and remain the property of the Disclosing Party and shall be promptly returned to the Disclosing Party upon the Disclosing Party's request.

9. **REMEDIES.** The Receiving Party acknowledges that any violation or threatened violation of this Agreement would cause irreparable injury to the Disclosing Party, entitling the Disclosing Party to obtain injunctive relief in addition to all legal remedies.

10. **NON-WAIVER.** Any one or more failures to enforce any provision of this Agreement shall not constitute a waiver of that provision or of any other provision. This Agreement may not be amended, nor any obligation waived, except by a writing signed by both parties.

11. **ENTIRE AGREEMENT.** This Agreement shall bind and inure to the benefit of the parties hereto and their successors and assigns. This document contains the entire agreement between the parties with respect to the subject matter hereof; the headings preceding the sections are provided for convenience and shall not be taken into account in the interpretation hereof.

EXECUTION

This Agreement may be executed in counterparts, each of which will be deemed an original but all of which together will constitute one and the same instrument. A signed copy of this Agreement delivered by facsimile, email or other means of electronic transmission will be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

The parties, through their duly-authorized Representatives, have signed this agreement whereupon it becomes an enforceable agreement between them in accordance with its terms. By the signatures set forth below, the duly authorized Representatives state that they have the authority to execute this agreement on behalf of their respective Party.

PRYM CONSUMER USA INC.

By: _____
Name: _____
Title: _____
Date: _____
Telephone: _____
Email _____

Recipient

By _____
Name: _____
Title: _____
Date: _____
Telephone: _____
Email _____