

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK-----x
FIRMODE (INTERNATIONAL) COMPANY
LIMITED,Plaintiff,
-against-

Case No. 08-CV-4890 (JG) (MDG)

INTERNATIONAL WATCH GROUP, INC.,
SWISS WATCH OUTLET LLC, and JOSHUA
FRIEDMAN,**STIPULATION AND ORDER
GOVERNING CONFIDENTIAL
INFORMATION**Defendants.
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It is hereby stipulated and agreed by the undersigned counsel:

1. This stipulation shall govern the treatment of all documents and testimony reflecting or representing information designated "confidential" by the parties in this proceeding.
2. The term "Confidential Material," as used herein, shall include any and all documents denominated as such by the parties during the course of this litigation.
3. Each party shall designate the Confidential Material prior to the transmission of a physical copy thereof to any other party. In designating information as Confidential Material a party will make such designation only as to that information it believes, in good faith, contains Confidential Information.
4. Confidential Material may be used solely for the purposes of this proceeding and shall not be used for any other purpose whatsoever.
5. Absent prior written consent of the producing party, the Confidential Material may be disclosed only to:
 - a. parties;

- b. counsel employed by a party, or any employee of such counsel to whom it is necessary that disclosure be made for the purposes of this litigation;
- c. any person not employed by a party who is expressly retained or subpoenaed by a party for the purposes of testifying or rendering assistance or providing expert opinions in this litigation, including but not limited to consultants, who has signed an acknowledgment in the form attached as Schedule A that he or she has read this stipulation and agrees to be bound by its terms, and only to the extent necessary for such person to perform his or her assigned task;
- d. the Court, Court personnel, Court reporters, or other personnel involved in the adjudicative process; and
- e. any person of whom testimony is taken, except that such a person may only see copies of Confidential Material during his or her testimony, in preparation therefor, or in discussions of possible testimony, and may not thereafter retain any confidential material.

6. The producing party may further restrict disclosure of Confidential Material to the opposing party by designating the material "HIGHLY CONFIDENTIAL." Such designation shall be restricted to such items as trade secrets as defined by the Restatement of Torts which would include any formula, pattern, device, compilation of information as used in one's business and it gives the party the opportunity to obtain an advantage over the competitors who do not know where to use it, and can include financial projections, business plans, statements of business policy or procedure, customer lists and customer information as well as sourcing information and all pricing information. Confidential Material designated "HIGHLY CONFIDENTIAL" may not be disclosed to the opposing party, but may otherwise be disclosed

in accordance with the provisions of paragraph 5(b)-(e) above, and otherwise will be governed by the provisions of this stipulation.

7. Nothing shall be regarded as Confidential Material or Highly Confidential Material if it is information that: (a) is in the public domain at the time of disclosure as evidenced by a written document; (b) becomes part of the public domain through no fault of the other party as evidenced by a written document; (c) the receiving party can show by written documentation that the information was in its rightful and lawful possession at the time of disclosure; or (d) the receiving party lawfully received such information at a later date from a third party without restriction to disclosure provided such third party has the right to make the disclosure to the receiving party.

8. In the event a party seeks to challenge the designation as Confidential Material or as Highly Confidential Material of documents by another party, the parties shall attempt to resolve such dispute in good faith on an informal basis. If the dispute cannot be resolved, the objecting party may file a letter application pursuant to Rule 37 of the Local Rules of the United States District Court for the Southern and Eastern Districts of New York to challenge the designation as Confidential Material or as Highly Confidential Material , and upon such letter application, the Court shall be permitted to review in camera the confidentiality of the materials in question. During the pendency of any motion or application challenging a party's confidential designation, the document(s) at issue shall remain subject to all the terms and conditions of this stipulation.

9. In the event confidential information subject to this stipulation is disclosed during deposition, court proceedings, or in pleadings, motions or other papers submitted to the Court, the confidential portions of such deposition or Court proceeding transcripts and court

papers shall be filed under seal with the permission of the Court, unless upon notice the designating party waives this provision in writing with respect to specifically designated information. All papers to be sealed shall bear the following designation:

CONFIDENTIAL

This envelope contains documents or information designated confidential pursuant to the stipulation of the parties in the above captioned action. This envelope shall not be opened or unsealed other than by a Justice of this Court or at the Court's express direction, and its content shall not be displayed or revealed except as the Court may order. This envelope and its contents shall at all times be maintained separate and apart from the publicly available files of this action.

10. Any party wishing to designate as CONFIDENTIAL or HIGHLY CONFIDENTIAL any deposition testimony or documents submitted as exhibits to depositions may do so on the record during the deposition, or, to the extent the party fails to do so on the record, within 10 days after receipt of the deposition transcript and exhibits by providing written notice of the designation to the other party. A party making the designation at the deposition shall be responsible for informing the court reporter in order to have those portions of the deposition transcript and exhibits designated as CONFIDENTIAL or HIGHLY CONFIDENTIAL appropriately marked and separately bound by the court reporter.

11. By making confidential information available for use in this action, the parties have not waived or compromised, nor shall any other party contend that the party producing such materials has waived or compromised, the confidentiality or protectability of the same, or the activities of which they are a part, or any processes, methods, techniques, operations, equipment, conclusions, insights, or results.

12. Within ninety (90) days of the final conclusion of this litigation, all documents designated as Confidential Material and all transcript portions designated as "CONFIDENTIAL"

or "HIGHLY CONFIDENTIAL" will be destroyed or returned to counsel for the producing party. Upon request by the producing party, the parties will confirm in writing that all such documents or testimony and any copies thereof have been destroyed or returned as provided in this paragraph.

13. Nothing in this stipulation shall be construed in any way to control the use, dissemination, publication, or disposition by any party of documents or information received at any time by that party outside the discovery process in this action.

14. In the event a party receives a document demand, subpoena or other request, including court or administrative order, for production of documents or information that would include CONFIDENTIAL or HIGHLY CONFIDENTIAL material (the "Request"), the party upon whom the Request is served shall provide immediate notice to the original producing party and provide the original producing party the opportunity to object and/or insist on confidentiality restrictions consistent with this Stipulation and Order. However, unless the original producing party seeks, within ten days of receipt of notice of the Request, an order from the appropriate court or administrative body staying compliance with the Request, the documents requested in the Request shall be produced notwithstanding this Confidentiality Stipulation and Order.

15. The parties acknowledge that in the event of a breach of this Stipulation and Order, the injured party or witness would be harmed irreparably and could not be made whole by money damages. The parties therefore agree that in the event of a breach of this Stipulation and Order, the injured party or witness may apply for and shall be entitled to a temporary restraining order, preliminary injunction, permanent injunction and/or specific performance of this Stipulation and Order plus monetary sanctions in an amount to be fixed by the Court. As to any

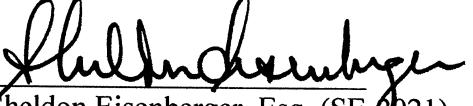
such application, the alleged breaching party shall not oppose or contest the granting of such relief other than with respect to whether a breach in fact has occurred.

16. This Stipulation and Order may be executed in counterparts, and each counterpart shall be deemed an original, and all counterparts taken together shall constitute one and the same document, which shall be binding and effective as to all parties. Facsimile copies of signatures herein shall constitute originals for all purposes.

Dated: New York, New York

July 17, 2009
ASB

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SO ORDERED:

Hon. Marilyn D. Go, U.S.M.J

SCHEDULE A

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

-----x
FIRMODE (INTERNATIONAL) COMPANY
LIMITED,

Plaintiff,
-against-

Case No. 08-CV-4890 (JG) (MDG)

INTERNATIONAL WATCH GROUP, INC.,
SWISS WATCH OUTLET LLC, and JOSHUA
FRIEDMAN,

ACKNOWLEDGEMENT OF
CONFIDENTIALITY STIPULATION

Defendants.

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I HEREBY ACKNOWLEDGE that I have reviewed the Stipulation and Order Governing
Confidential Information dated July __, 2009 entered into by the parties in the above-captioned
action, attached hereto as Exhibit A, and that I agree to abide by the terms set forth therein.

Dated: New York, New York
_____, 2009

By: _____

Name: _____

Title: _____