



NON-DISCLOSURE AGREEMENT

THIS AGREEMENT made in duplicate this ____ day of _____, ____

BETWEEN:

(hereinafter referred to as the "Recipient")

OF THE FIRST PART

- AND -

GROHE AG and all companies associated with GROHE AG in accordance with Section 15 of the German Stock Corporations Act (AktG)
(hereinafter referred to as "Grohe")

OF THE SECOND PART

WHEREAS Grohe, for many years, has been engaged in research, development, manufacture and sale of sanitary fittings for a wide variety of uses;

AND WHEREAS the Recipient and Grohe are currently engaged in discussions with respect to entering into a mutually satisfactory _____ which will involve the Recipient becoming privy to certain information which Grohe deems to be confidential, as defined hereinafter (the "Confidential Information");

AND WHEREAS the Recipient is willing to receive such Confidential Information in connection with the evaluation of the business relationship and the Recipient is willing to protect such Confidential Information in accordance with the terms of this Agreement;

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the above premises and other good and valuable consideration, the receipt and sufficiency of which being hereby acknowledged, the parties hereto agree as follows:

1. "Confidential Information"
refers to inventions, trade secrets, concepts, designs, patents, patents pending and all other information of a secret, confidential and/or proprietary nature, oral, electronic and/or written, involving Grohe, derived from or in any way relating to, or including, but not limited to, all specifications, instructions, processes, formulas, systems, programs, instrumentation, data, printouts, patterns, compilations, devices, methods, techniques, procedures and other information disclosed by Grohe to the Recipient.
2. The Recipient:
 - (a) shall use the same standard of care with respect to the Confidential Information as it uses with its own confidential information, but in any event no less than a reasonable standard of care, so as to prevent any unauthorized disclosure to a third party by the Recipient or its employees, agents and consultants as more particularly referred to in Paragraph 5 herein;



- (b) shall not, except as expressly authorized in advance and in writing by Grohe, disclose orally, electronically and/or in writing or authorize anyone else to disclose orally, electronically and/or in writing to any third party, the Confidential Information;
 - (c) shall use the Confidential Information only for the purpose of evaluating whether it wishes to enter into a business relationship with Grohe; and
 - (d) shall immediately return all Confidential Information and copies thereof under the Recipient's power or control to Grohe.
3. Nothing in this Agreement shall be construed to convey to the Recipient any right, title or interest in any Confidential Information or any license to use, sell, exploit, copy or further develop in any way the Confidential Information. Further, no license is hereby granted or implied under any patent, copyright or trade-mark application for any of the foregoing or any trade-name or trade-secret in which Grohe has any right, title or interest. Grohe shall continue to have all right, title and interest in the Confidential Information and the Confidential Information shall be held in trust by the Recipient for the benefit of Grohe.
4. The Recipient shall not directly or indirectly use, exploit, disclose or grant access to the Confidential Information to any person for any purpose and shall not use any part of the Confidential Information for its own benefit or economic gain. Disclosure or use of the Confidential Information by the Recipient in breach of this Agreement shall be deemed to cause Grohe irreparable harm for which damages are not an adequate remedy. In addition to any other rights and remedies it may have, Grohe shall have the right to seek immediate injunctive relief without the necessity of proof of actual damages to enforce obligations under this Agreement.
5. The Recipient shall disclose and grant access to the Confidential Information only to those of its employees, agents and consultants who shall have a need to know the Confidential Information for the purposes described in this Agreement.
6. The Recipient shall, upon request of Grohe, immediately return all Confidential Information and copies thereof under the Recipient's power or control.
7. The Recipient represents and warrants that it is not now a party to, and agrees not to enter into any agreement or incur any obligations, in conflict with this Agreement.
8. This Agreement poses no obligation on the Recipient with respect to Confidential Information that the Recipient can establish:
- (a) was in the Recipient's possession before receipt from Grohe;
 - (b) is or becomes available to the public through no fault of the Recipient; or



- (c) is rightfully received from a third party without a similar restriction and without breach of this Agreement.

- 9. This Agreement shall be deemed to be construed in accordance with and be governed by the laws of the Federal Republic of Germany. The provisions of this Agreement may, however, be enforced in any court of competent jurisdiction.

- 10. This Agreement shall ensure to the benefit of Grohe, its successors and assigns and be binding upon the Recipient and any of its subsidiaries, affiliates or associated companies or divisions, successors and assigns and its employees, agents and consultants. This Agreement shall remain in full force and effect during the term of any business relationship established between the Recipient and Grohe and thereafter.

- 11. No amendments to the terms and conditions of this Agreement shall be valid and binding upon the parties hereto unless made in writing and signed by an authorized representative of each of the parties.

- 12. This Agreement shall not be assignable by either of the parties without the prior written consent of the other and any purported assignment not permitted under this Agreement shall be void.

- 13. This document constitutes the entire agreement between the parties with respect to the subject-matter of it, and shall supersede all previous communications, representations, understanding and agreements, either oral or written between the parties.

- 14. For each offence against the regulations of this agreement a contractual penalty at a value of max. 50.000 EURO. The assertion of further damages claims remains inviolate.

- 15. The obligations of Recipient herein shall be effective for 2 years from the date Grohe last discloses any Confidential Information to Recipient pursuant to this Agreement. Further, the obligation not to disclose shall not be affected by bankruptcy, receivership, assignment, attachment or seizure procedures, whether initiated by or against Recipient, nor by the rejection of any agreement between Grohe and Recipient, by a trustee of Recipient in bankruptcy, or by the Recipient as a debtor-in-possession or the equivalent of any of the foregoing under local law.

- 16. This Agreement terminates and supersedes all prior understandings or agreements on the subject matter hereof. This Agreement may be modified only by a further writing that is duly executed by both parties.

- 17. Recipient may not assign this Agreement or any interest herein without Grohe expressing prior written consent.



- 18. If any term of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, then this Agreement, including all of the remaining terms, will remain in full force and effect as if such invalid or unenforceable term had never been included.
- 19. Any notice required by this Agreement or given in connection with it, shall be in writing and shall be given to the appropriate party by personal delivery or by certified mail, postage prepaid, or recognized overnight delivery services.
- 20. Either party's failure to insist in any one or more instances upon strict performance by the other party of any of the terms of this Agreement shall not be construed as a waiver of any continuing or subsequent failure to perform or delay in performance of any term hereof.
- 21. Headings used in this Agreement are provided for convenience only and shall not be used to construe meaning or intent.

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

GROHE AG
40545 Düsseldorf

Recipient

Name / Title

Name/Title